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CHINESE VICE PREMIER LI PENG VISITS TOYKO

Discusses Trade With Nakasone

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OW310907 Tokyo KYODO in English 0853 GMT 31 Aug 84

[Text] Tokyo, Aug 31 KYODO -- China's Vice Premier Li Peng met Prime Minister Yasuhiro Nakasone Friday and urged Japan to expand oil and agricultural imports from China, officials said. Nakasone, however, was noncommittal on his proposal and chose to stress the overall political and economic ties which he described as confrontation free. The meeting, which took place at Nakasone's official residence, lasted about 30 minutes, mostly centering on matters of bilateral trade, Japanese official sources said.

The Chinese vice premier arrived in Tokyo Thursday for a 13-day visit at the invitation of the Foreign Ministry. Li indicated that China wants Japan to buy more from China, specifically petroleum and farm products like wheat and cotton, by noting that China's output in these areas has increased vastly in recent years, the sources said.

Nakasone, however, sidetracked the import issue. In response to Li's sales overture, he congratulated the Chinese for their success in achieving their agricultural production targets, the sources said.

Nakasone also chose the occasion to stress what he described as friction-free political and economic ties between the two countries. As both the political and economic ties between China and Japan are free of confrontation, I believe friendly relations can be maintained for a long time, Nakasone was quoted as telling Li.

While Nakasone gave no commitment on Japan's increased imports from China, the prime minister told Li that the Japanese Government will provide economic assistance to the Chinese for their energy development projects and construction of port and railway facilities, the sources said.

Agrees to Nuclear Power Pact

OW310901 Tokyo KYODO in English 0850 GMT 31 Aug 84

[Text] Tokyo, Aug 31 KYODO -- Chinese Vice Premier Li Peng and Japanese Minister of International Trade and Industry Hikosaburo Okonogi agreed Friday to try to sign a bilateral atomic power cooperation treaty at an early date when Li paid a courtesy call on Okonogi at the MITI office, Japanese officials said. Okonogi told Li that there has been progress made in recent bilateral talks but the two countries should start cooperating in areas where it is possible to do so before signing the treaty. Li replied that China would continue efforts toward signing of the treaty, the officials said.

Okonogi also said he hopes bilateral trade would be further expanded as the two-way trade in the first six months of this year rose 30 percent from a year ago to 5.8 billion dollars, the officials said.

TOKYO POLICE EVICT CHON VISIT PROTESTERS

OW310507 Tokyo KYODO in English 0357 GMT 31 Aug 84

[Text] Tokyo, Aug 31 KYODO -- Police Friday morning evicted 20 people on a hunger strike in a park in front of Kameido station in eastern Tokyo in protest against South Korean President Chon Tu-hwan's visit to Tokyo next month.

Those evicted, belonging to civic groups in Koto-ku, started a 48-hour hunger strike Thursday night at the park with no authorization to use it. Police Friday morning mobilized 60 policemen to evict them because they refused to move, a police spokesman said.

ABE TO MEET GROMYKO IN NEW YORK 27 SEP

OW311039 Tokyo KYODO in English 1018 GMT 31 Aug 84

[By Shiro Yoneyama, KYODO staff writer]

[Text] Nagoya, Aug. 31 KYODO -- Foreign Minister Shintaro Abe said Friday he will meet his Soviet counterpart Andrey Gromyko in New York September 27 in a fresh effort to improve strained Russo-Japanese relations. He said he will also hold separate meetings with U.S. Secretary of State George Shultz and leaders of over 20 countries while he is in New York September 24-29 to attend the United Nations General Assembly session.

Abe is also scheduled to confer separately with the foreign ministries of Iran and Iraq there to call for a de-escalation of the Gulf war as he did during their visit to Tokyo in April and May. He announced the plans during a news conference at a hotel here where he expounded on his "creative diplomacy for peace and prosperity" in a 45-minute speech before a "one day Foreign Ministry" parley earlier in the day.

Abe's talks with Gromyko, the first formal foreign ministers' meeting in two years, will come a day after the Japanese leader delivers a speech before the U.N. Session, a ministry official traveling with him said. The official said the foreign minister is giving top priority to that meeting which coincidentally will follow an informal gettogether in the evening with Shultz and foreign ministers of five other "economic summit" member countries.

Abe told reporters he will discuss with Gromyko the Gulf war and Asian affairs as well as Russo-Japanese relations which have been aggravated by the shooting down of a Korean airlines jetliner last year and tense East-West relations.

Abe conferred briefly with his Soviet counterpart in Moscow in February after attending a funeral for Soviet party leader Yuriy Andropov. The last formal foreign ministers meeting between Gromyko and Yoshio Sakurauchi took place in New York in the fall of 1982. The Abe-Gromyko meeting in New York climaxes his two-year stint as foreign minister before he tries to move on to aim for premiership.

Although Tokyo and Moscow are sharply divided over the northern territorial issue, Abe said in Tokyo last week, they cannot afford to leave the chilly bilateral relationship as it is for the sake of world peace. Partly alluding to Soviet leader Konstantin Chernenko's recent call for increased exchanges between the two countries, Prime Minister Yasuhiro Nakasone has argued that the Soviets appear more flexible in dealing with the Japanese than in recent past. Foreign Minister Abe has also noted with some satisfaction that despite the territorial dispute, the two countries have taken a number of initiatives to ameliorate their strained relations, as evidenced by mid-August consultations in Moscow and Tokyo over the Mideast situation and the United Nations.

While in New York, Abe said he will meet Shultz September 28, their 14th encounter since he became foreign minister in November, 1982, to review international situations and Japan-U.S. relations.

They last conferred in Jakarta last month while attending an annual dialogue with their counterparts from Southeast Asian nations. Abe is expected to meet leaders of the Association of Southeast Asian Nations (ASEAN) and Australia and New Zealand on the evening of September 25, a Foreign Ministry official said.

The official said Abe will host a "starvation lunch" program in New York September 27 with the help of the Japanese community there to draw attention of other countries to the plight of starving Africans. The Foreign Ministry initiated the program in July and lawmakers and diplomats stationed in Tokyo have joined a series of similar voluntary programs since then.

USSR TO SEND TRADE UNION DELEGATION IN 1985

OW310031 Tokyo KYODO in English 0017 GMT 31 Aug 84

[Text] Moscow, Aug. 31 KYODO -- The Soviet Union will send a trade union delegation to Japan either in May or October next year to expand exchanges with Japanese unionists, it was disclosed Thursday. The Soviet intention was made known when Stepan Shalayev, president of the All-Union Central Council of Trade Unions, met a delegation from the Confederation of Labor (Domei), one of Japan's four major trade federations.

The Japanese delegation, led by Secretary General Ryoichi Tanaka, is here to promote exchanges with Soviet unionists. It is the first Domei delegation to the Soviet Union in 11 years.

NAKASONE, KUWAITI ASSEMBLYMAN DISCUSS GULF WAR

OW301135 Tokyo KYODO in English 1122 GMT 30 Aug 84

[Text] Tokyo, Aug. 30 KYODO -- Prime Minister Yasuhiro Nakasone and visiting Kuwaiti National Assembly speaker, Muhammad Yusuf al-'Adasani, agreed on a view here Thursday that Iran is now softening its stance and leaning toward halting the war with Iraq, officials said. The officials said the agreement came when the two met at the prime minister's official residence for an exchange of views.

Nakasone told the Kuwaiti official full efforts should be made toward ending the Gulf war while Iran is showing signs of willingness to end the war. Japan is deeply concerned with the war because it has a major interest in safe shipping through the Gulf, Nakasone was quoted as saying. The officials said Al-'Adasani agreed with Nakasone's remark that Iran is changing its stance toward the war. He said, however, that Iran's insistence that the Iraqi Government of President Saddam Husayn must step down as a prerequisite for peace presents a stumbling block, according to the officials.

Al-'Adasani suggested halting attacks on tankers by both Iran and Iraq in the Gulf could be a conceivable first step toward peace, the officials said.

NEW ZEALAND MINISTER STRESSES TRADE IMPORTANCE

OW290831 Tokyo KYODO in English 0758 GMT 29 Aug 84

[Text] Tokyo, Aug. 29 KYODO -- New Zealand's new Overseas Trade and Marketing Minister Mike Moore told a press conference here Wednesday that it was no coincidence that his first overseas visit, just two weeks after taking office, should be to Japan.

He said it showed the great importance New Zealand attached to its relations to this country, and to the Pacific region as a whole.

"Japan has now overtaken both Australia and the U.S. to become New Zealand's number one trading partner," he said. "We now see ourselves as a Pacific people. Our future is in this region."

But he noted that there was some trade friction in virtually every kind of agricultural export from New Zealand, including dairy products, timber, beef, wool and horticultural products. He said the problems were mainly taxes, tarriffs and quotas, but he felt the Japanese Government was sincere in its desire to make progress in easing these restrictions. He said that he hoped to be able to make an announcement shortly on a new agreement with Japan on wood processing and adding value to timber products.

The minister also praised the growth in Japanese tourism to New Zealand, which for the year ending last May increased by 25 percent over the previous year. "We hope we can excite more Japanese people to come to our green and pleasant land," he said. "They will try our meat and fruit and want to buy more after they return to Japan." He added that New Zealand realized it had to develop products suitable for the Japanese market. "We are now undertaking vast market studies to ensure that what we produce is tailored to the needs of the Japanese consumer, who expects the best." As examples of new products he cited kiwi fruit, wine, and turf care machines for golf courses.

He also hoped for more Japanese investment in New Zealand and said there could be opportunities for New Zealand software companies to work with Japanese computer manufacturers. Nothing that New Zealand won eight gold medals in the recent Los Angeles Olympic Games, in rowing, yachting, horseriding and canoeing, he said that "the spirit of friendly competition which pervaded these games is one which my government would like to see develop in our relationship with Japan. Although our eight gold medals were won sitting down does not mean New Zealand should be underestimated."

Moore's visit to Japan is the first ministerial-level contact between this country's and New Zealand's new Labor Party government.

MITSUBISHI TO EXPAND OIL MARKETING IN U.S.

OW300823 Tokyo KYODO in English 0716 GMT 30 Aug 84

[Text] Tokyo, Aug 30 KYODO -- Mitsubishi Corp. plans to more than double the capital of its oil marketing company in the United States in a move aimed at expanding its petroleum downstream operations, company officials said Thursday. If the plan goes through, Petro-Diamond Inc. will be capitalized at 10.5 million dollars, compared with 5 million dollars at present. The timetable for the planned capital increase has not yet been decided.

The subsidiary, based in Irvine, Calif., then will be owned 51 percent by Mitsubishi International Corp. and the balance by the Japanese parent company. The subsidiary, set up in April 1983, specializes in marketing crude oil and petroleum products in the U.S. Mitsubishi hopes to expand its network of gasoline filling stations in the U.S. and branch out into the crude oil export business through the U.S. subsidiary, the officials said.

JULY CURRENT ACCOUNT, TRADE SURPLUSES REPORTED

OW300921 Tokyo KYODO in English 0841 GMT 30 Aug 84

[Text] Tokyo, Aug. 30 KYODO -- Japan had a current account surplus of 3.21 billion dollars before seasonal adjustments in July, down from the record monthly surplus of 4.38 billion dollars in June but still a high level, the Finance Ministry said in a preliminary report Thursday. The trade surplus stood at 4.12 billion dollars last month, moderately lower than the record 4.85 billion dollar surplus in June.

Despite the July decline, Japan's balance of payments on current account -- which covers goods and services trade and certain monetary transfers -- is likely to continue running substantial surpluses on strong export showing, Finance Ministry officials said. July exports jumped 18.7 percent from a year ago to 14.84 billion dollars, up from 14.65 billion dollars in June, as office automation equipment and automobile exports to the U.S. continued to rise.

Imports in July increased 23.6 percent from a year earlier to 10.71 billion dollars, also up from 9.80 billion dollars the previous month, on increased crude oil and manufactured product imports, the officials said. The invisible trade deficit widened to 848 million dollars from 353 million dollars in June as Japan's investment returns declined in the month.

The transfer account deficit stood at 66 million dollars, compared with a 108 million dollar defict the previous month. The long-term capital account deficit hit a record 7.15 billion dollars, exceeding the 6.23 billion dollar previous record deficit in June. The net outflow of capital in the form of portfolio investments -- mostly bonds -- continued high at 2.47 billion dollars, compared with 2.16 billion dollars in June, as yen-denominated foreign bond issues increased last month, the officials said.

The basic balance of payments, covering both the current and long-term capital accounts, ended in a deficit of 3.94 billion dollars, following a 1.85 billion dollar deficit in June. The overall balance of payments also resulted in a deficit of 2.67 billion dollars, compared with a 2.25 billion dollar shortfall in June.

INDICATORS SHOW CONTINUED ECONOMIC EXPANSION

OW301101 Tokyo KYODO in English 1054 GMT 30 Aug 84

[Text] Tokyo, Aug. 30 KYODO -- A set of indicators of economic trends shows the Japanese economy is still expanding, a government report said Thursday. The Economic Flanning Agency said the leading index, consisting of 12 different indicators such as the Tokyo stock exchange index, stood at 50 percent — a level dividing between boom and slump — in June, the latest reporting month. It was unchanged from May, when it dropped from 66.7 percent in April. An agency spokesman viewed the leveling-off in June after May's decline as reflecting concern in the business community over U.S. economic trends.

The 11-indicator coincident index, which moves in parallel with prevailing economic trends, scored 86.4 percent, up from May's 59.1 percent, and the seven-line lagging index, trailing past economic activity, stood at 42.9 percent, down from 71.4 percent.

MINJU CHOSON CRITICIZES REAGAN ACCEPTANCE SPEECH

SK301617 Pyongyang KCNA in English 1509 GMT 30 Aug 84

[Text] Pyongyang August 30 (KCNA) -- MINJU CHOSON today comments on the tirade of Reagan accepting the Republican nomination for another presidential term a few days ago, in which he pledged to "rid" the earth of the awful threat by "reducing" nuclear weapons and "promote a continued economic growth free from inflation in the future, too."

Terming this as a fantastic "sermon," the author of the commentary says. At the end of the long string of his trash about "reduction" of nuclear weapons, "saving" and so on, he blurted: "It remains difficult to bring an end to historic conflicts." In the long run, he revealed his ulterior intention to gratify at any cost the desire for world supremacy by a massive development of nuclear weapons, not by their "reduction."

Ridiculous is the "sermon" of Reagan that he would curb inflation and achieve "continued growth" of economy while building up arms to an unprecedented scale in a peace time, not in a war, seized with nuclear war mania. The economic crisis is growing serious in the United States with its noticeable effect on many major industrial branches today and the jobless people number more than 10 million. According to the U.S. press reports, the annual budgetary deficit of the United States hits the high of dlrs. 200,000 million and the trade gap in the first half of this year added up to dlrs. 60,000 million.

Reagan is widely known to the world as a liar who often lets out a torrent of incoherent words, even describing aggression as peace, setting his tongue freely wagging. But his afore-said speech was too ridiculous, considering that it was one for winning votes to be returned again in forthcoming elections.

SOVIET, GDR MEDIA CITED ON U.S. POLICY IN SOUTH

SK301608 Pyongyang KCNA in English 1500 GMT 30 Aug 84

[Excerpt] Pyongyang August 30 (KCNA) -- The Soviet paper IZVESTIYA August 23 exposed the United States' plan to build more military bases in South Korea and different countries.

It said that the United States is practically forming the aggressive United States-Japan-South Korea triangular military alliance. The United States regards South Korea, the paper added, as merely a tool against the Democratic People's Republic of Korea, in other words, as a hostage of its policy of Asian aggression.

The Soviet weekly magazine NOVOYE VREMYA No 33 expressed solidarity with the Korean people in the struggle for the country's reunification. It said the triangular military alliance Washington is knocking into shape by inveigling Tokyo and Seoul gravely menaces peace in the whole of the Far East.

The GDR paper VOLKSARMEE July 30 noted that the German Democratic Republic supports the DPRK's proposal for tripartite talks for the independence and peaceful reunification of the country and strongly demands the withdrawal of all foreign troops from South Korea.

PRC PARTY OFFICIAL CALLS FOR U.S. TROOP WITHDRAWAL

SK291043 Pyongyang KCNA in English 1024 GMT 29 Aug 84

[Text] Pyongyang August 29 (KCNA) -- Jiang Guanghua, deputy head of the International Liaison Department of the Central Committee of the Communist Party of China, on a visit to Korea, after seeing the concrete wall built by the U.S. imperialists and the South Korean puppet clique along the whole length of the Military Demarcation Line, said: We oppose the U.S. troops' occupation of South Korea. They must naturally be withdrawn from South Korea.

Noting that the question of the Korean reunification must be settled by the efforts of the Korean people themselves, he stressed: The Chinese party, government and people fully support the proposal for founding the Democratic Confederal Republic of Koryo and the proposal for tripartite talks for realising the independent and peaceful reunification of Korea.

The delegation of the International Liaison Department of the Communist Party of China headed by Jiang Guanghua arrived in Pyongyang on August 17. It is now on a local tour of Korea.

U.S. SUPPORT FOR CHON'S PROPOSAL DENOUNCED

SK310422 Pyongyang KCNA in English 0414 GMT 31 Aug 84

[Text] Pyongyang August 31 (KCNA) -- NODONG SINMUN today comments on the full support expressed by the U.S. State Department recently to traitor Chon Tu-hwan's proposal of "economic cooperation."

The United States, says the author of the commentary, engineered the puppet to produce the "proposal" and hastily expressed "support" to it in order to improve the miserable sight of its colonial servant and put a "dowry" in his hand when he will cross the Korean strait. The high praise of the Chon Tu-hwan puppets' "proposal" by the United States is a link in the chain of the premeditated schemings to give backing to the puppets in the flank.

Recently, traitor Chon Tu-hwan reeled off a rubbish about trade and "economic cooperation" and threw together the balderdash that his clique would "supply technique and materials free" to someone. No one can think that his was done by the puppets alone, considering that they are panting under the weight of foreign debts close to Dlrs. 50,000 million and making a desperate bid for the inducement of foreign capital to shore up the colonial economy which is in the worst shape.

Not without reason public opinion views this farce as a generous "favor" of the American patron for refurbishing the image of the puppet. The U.S. extolment of the "proposal" not worth a farthing, with a noisy advertisement of the fictitious "growth" of the South Korean economy, and the fuss made by Japan to welcome the visit of the colonial stooge cannot be regarded otherwise than an absurd drama on the U.S. strategic track.

NODONG SINMUN ON SOUTH'S 'WAR PREPARATIONS'

SK302313 Pyongyang KCNA in English 1527 GMT 30 Aug 84

[Text] Pyongyang August 30 (KCNA) -- NODONG SINMUN today brands the outcries over "the military supremacy of the North" and "southward invasion" raised by the U.S. imperialists and the Chon Tu-hwan puppet clique as a camouflaged slogan for justifying their adventurous war preparations and perpetrate them more openly.

Commenting to the fact that Livsey, newly appointed to the post of the commander of the U.S. forces occupying South Korea some time ago, is spreading rumours about "southward invasion," repeatedly citing exaggerated data on our Armed Forces, and the Chon Tu-hwan puppet clique are dancing to his tune, the paper says: The J.S. ruling quarters, too, are making a vain attempt to prove the fiction of the "military supremacy of the North." Its fraud is clear from the comparison of the Armed Forces of the North and the South. Today there are in South Korea more than 40,000 men of the U.S. forces and nearly one million strong puppet army as regular armed forces. Besides, there are over 10 million strong para-military armed forces, such as "the Homeland Defence Reserve Forces", "the Civilian Defence Corps" and "the Student Homeland Defence Corps."

South Korea is supplied with modern lethal weapons from the United States and Japan and has a stockpile of ammunitions and other war materials enough for many months. There are more than 1,000 pieces of nuclear weapons including neutron weapons in South Korea.

It is evident that the Armed Forces of the North far smaller in the size of population than South Korea, which are armed with home-made weapons, cannot be superior to South Korea's. It is said that the Armed Forces of the U.S. imperialist aggression forces occupying South Korea will be increased by 2,500 men by next year and they are replacing the equipment with lighter one and reorganizing the structures of the aggression forces, having worked out a new operational plan to "deal a hard strike at the enemy's heart on the back from the air and the ground in the initial stage of war."

The U.S. imperialists also scheme to introduce 38 "F-16" fighters, the ultra-modern fighter planes of the United States, from late this year. Now the U.S. imperialist brasshats intend to bring the Guam-based "B-52" fighter-bombers and even "Pershing II" missiles and cruise missiles, both medium-range missiles, into South Korea. In fact, there exists the military supremacy of South, not the military supremacy of the North, and exists the threat of northward invasion, not "the threat of southward invasion."

The paper stresses that with no sophism can the U.S. imperialists and the Chon Tu-hwan puppet clique cover up their nature as war-likers and aggressors.

CPRF CONDEMNS SOUTH'S 'CAMPUS SUPPRESSION'

SK310224 Pyongyang Domestic Service in Korean 1300 GMT 26 Aug 84

[Information No 284 issued by the CRPF Secretariat -- read by announcer]

[Text] Under the name of so-called academic discipline on the threshold of a new school semester, a whirlwind of fanatical suppression of university students is sweeping over South Korea.

According to a report, the South Korean puppet clique expelled or disciplined en masse about 10,000 students in Seoul alone for a few days in the middle of August. This included the punishment of about 1,430 students from Seoul National University, about 1,280 from Korea University, about 850 from Yonsei University, 972 from Kyonghui University, about 580 from Myongji University, about 650 from Soggang University, about 960 from Songgyungwan University, and about 1,310 from Hanyang University.

Compared to previous years, the puppets' recent punishment measure assumes a particularly provocative nature in terms of the scale and content of punishment. As disclosed by the Office of Campus Affairs Administration of Seoul National University, the number of students punished this time is the largest since the establishment of the university. In terms of the content of punishment, the number of expelled students increased rapidly, numbering as many as 188 students. The number of punished students increased 1.6 times as compared with the same period of 1983 at Yonsei University and 1.2 times as compared to the figure for the same period of 1983 at Hanyang University. This shows that campus autonomy and the reinstatement measure, advertised by the puppet clique, are nothing but a fraud and that, in actuality, crackdown upon students has been further intensified overtly and covertly.

As a vicious and wicked method for campus suppression inflicted on students under the pretext of poor academic grades, this row of campus discipline, which is kicked up twice every year in South Korean universities and colleges, is an intolerable challenge to the progressive youths and students.

As has been well known, the South Korean youths and students have always stood in the vanguard of the anti-U.S. and antifascist resistance for national salvation. It is youths and students who upheld the first torch of the anti-U.S. struggle. It is also youths and students, burning with a sense of justice, who have taken the lead in a mass, strenuously waged struggle against traitor Chon Tu-hwan's visit to Japan. Their patriotic struggle causes the puppets great apprehension and terror. For this reason, the fascist Chon Tu-hwan military clique has brazenly resorted to the fanatic and fascist maneuver of taking progressive students to bar and suppressing and killing them by coercively drafting them into the pupper army. Also, the clique has combined these maneuvers with a crafty method such as campus discipline.

The recent unprecedentedly large-scale discipline by the South Korean puppet clique is part of its repressive maneuver to suppress the daily growing anti-U.S., anti-Japanese, and antipuppet struggle and seeks, as its sinister purpose, to bar the student struggle which is rising again with the pro-Japanese treacherous visit by Chon Tu-hwan as an occasion. However, the fascist Chon Tu-hwan military clique is seriously miscalculating. It cannot block, with any suppressive maneuver, the patriotic advance of youths and students who seek independence, democracy, and reunification.

The Chon Tu-hwan ring must end campus suppression, unconditionally reinstate all illegally expelled university students, cancel the treacherous junket to Japan, and immediately step down from power, which it took illegally.

[Dated] 26 August 1984, Pyongyang

SEOUL RESIDENTS SUPPORT STUDENTS 'STRUGGLE'

SK301256 (Clandestine) Voice of the RPR in Korean to South Korea 1000 GMT 30 Aug 84

[Text] People of all walks of life have extended strong support and solidarity to the struggle of students from 13 universities in Seoul who once again rose against traitor Chon Tu-hwan's treacherous visit to Japan. A certain Sol, a worker at the Kuro industrial complex in Seoul, said that the rising of students in Seoul in a struggle to oppose Chon Tu-hwan's treacherous visit to Japan is a patriotic act designed to prevent the Japanese militarists' reinvasion and to save the people. He then said:

The Japanese militarists have not made even a single apology for their past crime of occupying our country for 36 years and of forcing a colonial, slavish life on our country.

Instead, they are trying to justify these crimes. This being the case, Chon Tu-hwan's visit to Japan will be an act of surrender and will be a treacherous trip designed to once again sell the country and the people to the Japanese militarists. Our workers extend full support and solidarity to the courageous struggle of the students who rose to check Chon Tu-hwan's treacherous visit to Japan. He urged 8 million workers to rise with the students in the struggle to oppose Chon Tu-hwan's treacherous visit to Japan.

A certain Kim, a democrat in Seoul, said that It is just for students to wage a struggle to attack the Japanese Cultural Center. He then said: By instigating traitor Chon Tu-hvan, the Japanese militarists are now trying to turn our country into a colony. Like the American Cultural Center, the Japanese Cultural Center is a tool for ideological and cultural aggression. I highly appreciate the student struggle to ttack the Japanese Cultural Center as an expression of firm will not to tolerate a reinvasion by the Japanese militarists. He then urged people of all walks of life to rise with the students in the struggle to check traitor Chon Tu-hwan's treacherous visit to Japan, disregarding differences in political views and religion.

Supporting the students' escalation of their struggle to an attack on a police station, a certain Yi, a professor at Seoul University, said: Chon Tu-hwan's scheduled visit to Japan will be a very grave junket designed to complete U.S.-Japan-South Korea tripartite military integration. It is very just for students to rise in the struggle to check Chon Tu-hwan's visit to Japan. The suppression of the righteous struggle is an antipopular and antinational act which can never be pardoned. He then urged professors to join the student struggle.

SWEDISH, DANISH PAPERS OPPOSE SEOUL OLYMPIAD

SK300402 Pyongyang KCNA in English 0352 GMT 30 Aug 84

[Text] Pyongyang August 30 (KCNA) -- The Swedish paper BOHUSLANINGEN August 15 said that the Seoul Olympiad which the South Korean authorities will host in 1988 will also be unable to escape a split due to the political complexity.

It continued: Korea is a divided country and the danger of war is increasing there. The U.S. forces are present in South Korea and the South Korean authorities ruthlessly violate human rights, enforcing dictatorship. And the Seoul authorities are not recognized by the socialist countries including the Soviet Union. Therefore, the Seoul Olympiad will be also split. If the Seoul Olympiad also becomes a crippled one, the Olympic Games will further lose their international character and sports idea.

The Danish paper LAND OG FOLK August 14 carried an article under the title "Olympics in the United States", which said: The recent Los Angeles Olympic Games were entirely for the United States. Now the Olympic Games are misused. It cannot but cause apprehensions about the Olympiad that the South Korean authorities, the puppet of the United States, are making preparations for the 1988 Olympiad.

YANG HYONG-SOP MEETS AUSTRIAN FRIENDSHIP GROUP

SK310354 Pyongyang KCNA in English 0346 GMT 31 Aug 84

[Text] Pyongyang August 31 (KCNA) -- Yang Hyong-sop, chairman of the Standing Committee of the Supreme People's Assembly, on August 30 met and had a friendly talk with the Austria-Korea Friendship delegation headed by Hellmuth Schipani, deputy speaker of the Parliament of the Republic of Austria, which paid a courtesy call on him.

NORTH KOREA

Present on the occasion was Yi Song-ho, vice-chairman of the Committee for Cultural Relations With Foreign Countries and chairman of the Korea-Austria Friendship Association.

O CHIN-U, MILITARY DELEGATION ARRIVE IN GDR

SK310414 Pyongyang KCNA in English 0404 GMT 31 Aug 84

[Text] Pyongyang August 31 (KCNA) -- The government military delegation of the Democratic People's Republic of Korea headed by Comrade General O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of People's Armed Forces, arrived in Berlin on August 29 for a visit to the German Democratic Republic.

It was met at the airport by General Heinz Hoffmann, member of the Political Bureau of the Central Committee of the Socialist Unity Party of Germany and minister of national defence of the German Democratic Republic; Colonel General Fritz Streletz, chief of General Staff of the National People's Army; Colonel General Heinz Kessler, director of the General Political Bureau of the National People's Army; vice-ministers of national defence and deputy chiefs of General Staff; B. Neugebauer, vice-minister of foreign affairs; generals of the National People's Army and other personages concerned. A welcome function took place at the airport. The delegation stopped over in Irkutsk, Omsk and Moscow of the Soviet Union on its way to the GDR.

PAPER VIEWS SINO-BRITISH TALKS ON HONG KONG

SK270421 Pyongyang KNCA in English 0419 GMT 27 Aug 84

[Text] Pyongyang August 27 (KCNA) -- NODONG SINMUN today carries an article titled "Hong Kong problem" in connection with recent talks between Chinese and British Government delegations on this question in Beijing. Noting that Hong Kong is an inseparable part of the Chinese territory, the paper says:

The essence of the Hong Kong problem is that China, a sovereign state, has the right to take back Hong Kong, its inviolable territory, any time. The paper continues: China took into full consideration the subjective and objective realistic conditions of Hong Kong in working out her just policy toward it. But Britain, though compelled to recognise the restoration of sovereignty by the Chinese Government, revealed its dishonest intention to justify its colonial rule over Hong Kong and maintain it. The Chinese side exposed the injustice of the stand of the British side.

With the progress of the talks, according to reports, many problems arising in restoring sovereignty over Hong Kong by China in 1997 have been solved. In this course, the Chinese side made consistent efforts to find a reasonable solution for respecting the interests and will of the Hong Kong population and guaranteeing the stability and prosperity of Hong Kong. The success at the talks is a result of the just stand and sincere efforts of the Chinese side.

HYON CHUN-KUK RECEIVES JSP OFFICIAL, DELEGATION

SK310520 Pyongyang KCNA in English 1535 GMT 30 Aug 84

[Text] Pyongyang August 30 (KCNA) -- Noboru Yagi, Central Executive member, and director of the International Department of the Japan Socialist Party, and his entourage arrived in Pyongyang on August 30 by air.

The guests were met at the sirport by Hyon Chun-kuk, member of the Central Committee of the Workers' Party of Korea and first vice-director of a department of the party Central Committee.

PYONGYANG RALLY MARKS LIBYAN REVOLUTION DAY

SK310347 Pyongyang KCNA in English 0332 GMT 31 Aug 84

[Text] Pyongyang August 31 (KCNA) -- A meeting was held in Pyongyang on August 30 on the occasion of the 15th anniversary of the September 1 Revolution of the Libyan people.

Placed on the platform on the meeting hall were a portrait of Colonel Mu'ammar al-Qadhdhafi, leader of the great September 1 Revolution of the Socialist People's Libyan Arab Jamahiriyah.

Yi Sok-yong, vice-chairman of the Committee for Cultural Relations With Foreign Countries and vice-chairman of the Korea-Libya Friendship Association, made a speech at the meeting.

Noting that the September 1 Revolution in Libya was an event which brought about a radical change in the history of the Libyan people who desire independence against imperialism, the speaker said: Since the victory of the revolution, the Libyan people, under the slogan of "People's revolution", have struggled vigorously for the building of a new life and achieved many successes.

Our people, he declared, express full support to and solidarity with the Libyan people in the struggle in resolutely opposing U.S. imperialist aggressors and defending the sovereignty of the country. Saying that the friendship between the peoples of Korea and Libya has strengthened and developed on to a high stage thanks to the historical meeting and intimacy between the great leader President Kim Il-song and Colonel Mu'ammar al-Qadhdhafi, leader of the great September 1 Revolution, he stated: Our people will make sustained efforts, in the future, too, to further consolidate and develop the friendly and cooperative relations with the Libyan people under the banner of independence, friendship and peace.

Speaking next, Khalifah Shalbak, acting secretary of the People's Committee of the People's Bureau of the Socialist People's Libyan Arab Jamahiriyah in Pyongyang, said: Although the Libyan and Korean peoples are far away from each other geographically, their mutual relations are very good. In particular, the meeting of Comrade Mu'ammar al-Qadhdhafi with his friend the great leader Comrade Kim Il-song, during his visit to your country has developed the friendly relations on to a higher stage.

He said: The Libyan people and leadership sincerely support the proposal for founding the Democratic Confederal Republic of Koryo and the ten-point policy of the unified state put forward at the Sixth Congress of the Workers' Party of Korea and assure you that they will firmly stand on the side of the Korean people till Korea is reunified after forcing the U.S. imperialists out of South Korea and founding the DCRK.

In conclusion, he wished good health and a long life to the great leader President Kim Il-song and to the dear leader Comrade Kim Chong-il and good health and a long life to Colonel Mu'ammar al-Qadhdhafi, leader of the great September l Revolution. A letter to Colonel Mu'ammar al-Qadhdhafi was adopted at the meeting.

SUPPLEMENT ON KIM IL-SONG'S USSR TRIP ISSUED

SK300504 Pyongyang KCNA in English 2250 GMT 30 Aug 84

[Text] Pyongyang August 30 (KCNA) -- NODONG SINMUN published its supplement "Official Goodwill Visit of the Great Leader Comrade Kim Il-spng to the Soviet Union and European Socialist Countries."

The supplement containing photographs showing the whole course of the historic foreign tour of the great leader President Kim Il-song consists of three volumes.

The first volume carries photographs of President Kim Il-song leaving the homeland and paying an official goodwill visit to the Soviet Union as the head of the party and state delegation, photographs showing his stay in the Soviet Union on his way to Europe after visiting the Soviet Union and photographs showing him passing through the Soviet Union on his way home after visiting foreign countries.

The second volume carries photographs of President Kim Il-song paying an official goodwill visit to Poland, the German Democratic Republic, Czechoslovakia and Hungary and the third volumes his photographs paying an official goodwill visit to Yugoslavia, Bulgaria and Romania and photographs showing his return home after his successful visit to foreign countries.

KIM CHONG-IL RECEIVES FORFIGN SAILORS' LETTER

SK270351 Pyongyang KCNA in English 0338 GMT 27 Aug 84

[Text] Pyongyang August 27 (KCNA) -- Dear Comrade Kim Chong-il received a solidarity letter from the crewmen of the Panamanian ships including "Nankuo" and the Greek ship "Saint Nikolas" who recently held a joint meeting in Nampo in support of the Korean people's struggle for smaching the new war provocation moves of the U.S. imperialists and the South Korean puppet clique and achieving the independent and peaceful reunification of the country on the occasion of the month of anti-U.S. joint struggle.

The letter says: We are well aware that the Korean people, under the wise guidance of Your Excellency Dear Kim Chong-il, advanced most reasonable and realistic proposals for reunification to remove the danger of war created on the Korean peninsula and prevent the conversion of their sacred land into a theatre of nuclear war and are making sincere efforts for their realisation.

We vehemently denounce it as a vicious challenge to the entire Korean people and the world peaceloving people that the U.S. imperialists and the South Korean puppets are working hard to further turn South Korea into a show-window of nuclear weapons and the largest nuclear forward base in the Far East which threatens peace and security in Asia and the rest of the world.

Believing that under the wise leadership of Your Excellency the Korean people will reunify the country independently and peacefully and build a new, prosperous Korea, we assure you that we will always stand on the side of the fighting Korean people.

The letter sincerely wishes dear Comrade Kim Chong-il good health and a long life.

VRPR CITES EGYPTIAN JOURNALIST ON KIM CHONG-IL

SK291142 (Clandestine) Voice of the RPR in Korean to South Korea 0300 GMT 29 Aug 84

["Great Man of the World" feature program]

[Text] In this hour, we will carry an article written by (Nadir Dia'), deputy editor-in-chef of the Egyptian paper AL-AKHBAR entitled "His Dear Excellency Kim Chong-il Is the Leader of the Masses."

Today, the Korean people regard it as their greatest joy to uphold his dear excellency, Kim Chong-il, who is brilliantly inheriting the revolutionary cause of the great president, His Excellency Kim Il-song as their sagacious leader.

Dear leader, His Excellency Kim Chong-il, was born on Mount Paektu, hearing the gunfire of the rigorous revolution, at a time when the sacred anti-Japanese battles for the fatherland's liberation were in full swing. The period when he was born and grew up was strewn with days of continued, stiff struggles such as the anti-Japanese armed struggle, the democratic revolution, the (?fierce) fatherland liberation war against the U.S. imperialists, the postwar restoration and construction, the socialist revolution, and socialist construction.

In the current of such a rugged history, he mastered perfectly the revolutionary ideology of the great President Kim Il-song. He is brilliantly solving all theoretical and practical questions in inheriting and consummating the president's revolutionary cause today.

In order to save trouble for and lighten the burden of the great president, His Excellency Kim Il-song who has during his whole life been devoting his all to the (?nation) and to leading the revolutionary cause of chuche, His Excellency Kim Chong-il is energetically guiding the general work of the party and state and is vigorously leading the revolution and construction by putting forth correct struggle policies and slogans at every period. Thus, thanks to His Excellency Kim Chong-il's tested and wise leadership, unprecedented, brilliant achievements are being made in Korea today.

The successes in construction in Korea today are really astonishing. In the capital city of Pyongyang alone, modern, great monumental structures which evoke the admiration of the world's people have been built one after another in recent years. These structures are the Tower of the Chuche Idea, the Arch of Triumph, the Grand People's Study House, and Changgwang Street. Other examples are the Pyongyang subway, said to be the best in the world, and amusement parks where the working people can enjoy themselves to their hearts content. In fact, the construction of Korea is incomparable with any other place in the world both in terms of level and speed.

Korean industry and agriculture are also developing at a high speed. In the industrial sector, industrial growth increased at the high speed of 15.9 percent every year during the period from 1970 to 1979 alone. During such a short span of time, Korea excellently built its self-reliant national economy, based on its own raw materials and fuel. Also, it is developing the economy on the basis of secure foundations.

Agriculture, too, is developing rapidly. In terms of grain, the yield per chongbo of wet-field rice has reached 7.2 tons and that of corn has reached 6.3 tons. Korea has achieved proud success in roducing 9.5 million tons of grain in (?1982). Such successes in Korea [word india [net]] are really astonishing.

Today, Korea is also brilliantly accomplishing the grand tasks of socialist economic construction which great President Kim Il-song put forth at the historic Sixth WPK Congress. All the successes achieved in socialist construction in Korea are due to the totally brilliant fruition of the wise leadership of the great leader President Kim Il-song and the tested and energetic guidance of his dear excellency, Kim Chong-il, the genius of revolution and construction.

The reunification (?of the divided fatherland) is the greatest national task of all the Korean people. His Dear Excellency Kim Chong-il is spending days without sleep or rest to realize the policy to achieve the country's independent and peaceful reunification put forth by the great president, His Excellency Kim Il-song.

The masses in the South, who look at the northern half of the (?republic) as a beacon of hope, are upholding dear His Excellency Kim Chong-il as the brilliant guiding star of Korea and are expressing their boundless respect of and admiration for him. Under the wise leadership of great President Kim Il-song and his dear excellency, Kim Chong-il, all the masses in (?the North and the South) are staging a strenuous struggle today to smash the two Koreas plot of the splittists at home and abroad and to realize the proposal to found the Democratic Confederal Republic of Koryo which is aimed at advancing the reunification of the divided country at the earliest possible date.

No force can block the struggle of the masses in the South who aspire for the democratization of society and the reunification of the fatherland. The world's peace-loving peoples are on the side of the Korean people who are courageously struggling for the fatherland's reunification.

The U.S. imperialists should look squarely at reality and immediately withdraw their aggression forces and all lethal weapons from the South. The U.S. Government should accept the DPRK's proposal to replace the Armistice Agreement with a peace agreement without delay.

The historic cause of the fatherland's reunification will be surely realized under the correct leadership of the great leader of the Korea people His Excellency President Kim Il-song and his excellency, the energetic leader [chongryokjokin chidoja], Kim Chong-il.

PYONGYANG MEETING MARKS 1 SEP 'PEACE DAY'

Pyongyang KCNA in English 0355 GMT 31 Aug 84

[Text] Pyongyang August 31 (KCNA) -- A meeting of Pyongyang working people against the imperialist policy of aggression and war and for peace was held on August 30 on the occasion of the September 1 "Peace Day."

Kim Yong-nam, vice-chairman of the Central Committee of the General Federation of Trade Unions, made a speech at the meeting. Noting that at present the most urgent question facing mankind is to prevent a war and safeguard peace, the speaker said that owing to the imperialist adventurous moves for aggression and war, the international situation has now been brought to the highest pitch of strain and the danger of a new world war, the danger of thermo-nuclear war, is growing with each passing day on the globe.

He further said: Owing to the policy of nuclear war of U.S. imperialism and its lackey traitor Chon Tu-hwan, the Korean peninsula is now standing at the grave cross-roads of peace or thermonuclear war. In order to prevent a nuclear war and guarantee a durable peace in Korea, the U.S. imperialist aggression troops, the root cause of nuclear war, should be withdrawn from South Korea first of all.

The Korean question should be solved not by "strength" but by dialogue and negotiation and the United States respond to our proposal for tripartite talks and immediately withdraw its troops and nuclear weapons from South Korea as demanded unanimously by the entire Korean people and the peacelovers of the world.

The present situation urgently demands the peoples of all continents and all countries to come out daringly to a common struggle to crush the imperialist moves for aggression and war and to defend peace and security in the world.

All anti-imperialist revolutionary forces should energetically unfold in firm unity anti-imperialist struggle and the anti-war, anti-nuclear peace movement.

The Korean working class and the rest of our people will fight continuously and tenaciously to check and frustrate the imperialist moves for aggression and war, relax the tension in the Korean peninsula and safeguard peace and security in Asia and the world under the banner of independence, friendship and peace in firm unity with the working classes and peoples of socialist countries, non-aligned states and new-emerging countries and with the broad sections of peaceloving people all over the world.

NODONG SINMUN STRESSES TRAINING OF TECHNICIANS

SK271544 Pyongyang KCNA in English 1515 GMT 27 Aug 84

[Text] Pyongyang August 27 (KCNA) -- NODONG SINTUN today carries an article headlined "Present Stage of Socialist Economic Construction and Training of Technicians", which says:

Dear Comrade Kim Chong-il, in "On Further Developing the Educational Work", his letter dated July 22, 1984, to the attendants of the national meeting of educational activists, put forward programmatic tasks for improving and strengthening the training of technicians and specialists.

What assumes particular importance here is the policy for improving and strengthening the training of technicians. It is a guideline for developing the training of technicians to a higher stage, as it gives scientific answers to all the questions arising in this work. Our party's new policy for improving and strengthening the training of technicians reflects the lawful demand of our socialist economic construction.

The improvement and strengthening of the training of technicians is the key to the development of the nation's economy as required by the completely triumphant socialist society and the enhancement of the people's material and cultural living standards. The new policy of our party gives a comprehensive elucidation of the orientation and ways for improving and strengthening this work.

What is important above all in improving and strengthening the training of technicians is to further raise the scientific and theoretical level of university education. Another important point in this matter is to more closely combine theory with practice in university education. What is important next in this is to combine teaching with scientific researches at the universities.

As stressed in the letter, to fully establish chuche in education is of particular importance in improving and strengthening the training of technicians.

Establishing chuche is the basic principle maintained by our party in technical education and a sure guarantee of all achievements. Experiences prove that only when chuche is firmly established in technical education is it possible to train students to be useful technicians who faithfully serve our revolution.

Our party set it forth as an important task in economic construction to make an effective use of the natural resources of the country and increase the independence and chuche character of our national economy. The way of the successful fulfilment of this task lies in thoroughly establishing chuche in technical education to solve the problems of raw materials, fuel and power in reliance upon home resources, increasing independence in iron production and bringing up a large number of technicians and specialists possessed of deep scientific and technical knowledge needed to the production and processing of non-ferrous metals in our country.

All this tells that our party's new policy of improving and strengthening the training of technicians is a most correct and wise policy.

NEW CONVEYER BELT LINES LAID IN COAL MINES

SK301611 Pyongyang KCNA in English 1503 GMT 30 Aug 84

[Text] Pyongyang August 30 (KCNA) -- Belt conveyer lines extending tens of thousands of metres are now being laid at the collieries of the Suunon District coal mining complex. Entering this year, the complex built a 6,300 metre long belt conveyer at the Chonsong youth coal mine and short distance conveyers inside pits at 20 objects of the Sinchang, Yongdae and February 8 Chiktong youth coal mines.

The laying of long-distance belt conveyers is progressing apace at three places of the complex. Having set itself the goal of building a belt conveyer in 5,300 metre section and several short distance pit conveyers within this year, the Yongdae coal mine has already carried out 80 percent of the tunnel construction and expansion project through a vigorous high-speed tunnelling movement.

The February 8 Chiktong youth coal mine has carried out more than 90 percent of tunnel construction and expansion project in the building of the long distance belt conveyer in the 5,500 metre section. Successes are made in belt conveyer construction at the Sinchang and other coal mines in the district.

BRIEFS

KOREAN FILM PREVIEW -- Pyongyang August 31 (KCNA) -- A Korean film preview was given in Pyongyang over August 21-28. Attending there were film delegations of the Soviet Union, Bulgaria, Poland, Czechoslovakia, Romania and Cuba. In the film preview which has been brisk since July 1972 delegations of socialist countries which have film exchange relations with our country appreciate Korean films in our country and select necessary films to be screened through their supply networks and televisions. The delegations present at the recent preview after seeing more than 20 feature films including "Masters of Factory", "Through Ordeals", "Trail-Blazers" (Part One), and documentary, scientific and juvenile films during the preview unanimously said Korean films are all of great educational value. [Text] [Pyongyang KCNA in English 0348 GMT 31 Aug 84 SK]

SOVIET REPARATIONS FOR KAL STILL SOUGHT

SK310642 Seoul YONHAP in English 0536 GMT 31 Aug 84

[Text] Seoul, Aug. 31 (YONHAP) -- South Korea will continue to seek Soviet reparations for the downing of a Korean Air Lines jumbo jetliner last September, a government source said Friday. "There is no change in the government's position seeking due reparations from the Soviet Union," he said.

The source said the government will exert diversified diplomatic efforts to realize its demand for reparations. However, the government will decide whether to hold a meeting of those nations that had citizens on the ill-fated plane after consultations with those nations, he said.

Saying that the government will deal with the aftermath of the KAL incident calmly and cooly, the source disclosed that the government will concentrate its efforts to press the Soviet Union to admit its legal responsibility, rather than its political responsibility, because the government has censured Moscow for the KAL incident in the international arena. In addition, the source said the government will make every diplomatic effort to gain early ratification of the amendment to the Chicago Convention by member nations. An amendment to the Chicago Convention initiated by South Korea has been adopted by the International Civil Aviation Organization.

TOKYO EMBASSY DENIES REPORT ON COMMUNIST ENVOYS

SK310048 Seoul THE KOREA HERALD in English 31 Aug 84 p 1

[Text] Tokyo (YONHAP) -- Ambassadors representing communist countries reportedly have been invited to meet President Chon Tu-hwan in a reception to be held for members of the diplomatic corps in Tokyo during Chon's visit here Sept. 6-8. The MAINICHI SHIMBUN reported Thursday that the Korean Government has invited the Chinese and Soviet ambassadors to attend the reception, despite the fact that Seoul has no formal diplomatic relations with Beijing and Moscow.

However, the Korean Embassy in Tokyo denied the report, saying that perhaps the Japanese Government has invited the communist countries' ambassadors. The embassy said Japan customarily invites all members of the diplomatic corps when a foreign head of state visits Tokyo and that it would not be surprising if communist envoys were to be invited to President Chon's reception.

The MAINICHI said it would be a historic event if the Soviet and Chinese ambassadors should attend the reception to meet with President Chon. Quoting a Japanese Foreign Ministry source, the daily said the Korean Government has sent invitation cards to 104 diplomatic mission chiefs assigned to Tokyo.

SEOUL-TOKYO HOT LINE OPERATION 31 AUG

SK310125 Seoul YONHAP in English 0123 GMT 31 Aug 84

[Text] Seoul, Aug. 31 (YONHAP) -- A direct telephone line linking the governmental summits of South Korea and Japan formally began operation at 10 a.m. (01:00 GMT) Friday. The Seoul-Tokyo hot line was agreed on by President Chon Tu-hwan and Prime Minister Yasuhiro Nakasone in January 1983 when Nakasone made a two-day official visit to Seoul. Foreign Ministries of the two countries will relay the connection between the offices of the South Korean president and the Japanese prime minister.

An official at the South Korean Foreign Ministry said the opening of the direct telephone line symbolizes the friendly and cooperative relations between South Korea and Japan, which have been stepped up since Nakasone's Seoul visit. "It will serve as an opportunity to further promote cooperative relations between the two countries as well as the friendship between the summits," he said.

The joint communique issued by Chon and Nakasone in January 1983 called for an early opening of a direct telephone line or other proper linkage allowing direct dialogue between the heads of the two countries at all times.

PURPOSE OF JAPANESE TRADE MISSION DISAGREED ON

SK310632 Seoul YONHAP in English 0621 31 Aug 84

[Text] Seoul, Aug. 31 (YONHAP) -- South Korea and Japan disagree over the role and purpose of the Japanese purchasing mission scheduled to visit here in October, government sources said here Friday.

The Seoul-side thinks the Japanese goal should be the purchase of as many Korean products as possible, thus helping correct the two countries' trade imbalance, strongly in favor of Japan, the sources said. Based upon this understanding, South Korea reportedly has informed Japan unofficially of its demand that the forthcoming mission buy as much as two billion U.S. dollars worth of commodities during its stay here.

On the other hand, the Tokyo side has maintained that the mission's purpose is the promotion of not only Japan's import of Korean products but also its investment in Korea and transfer of high technology to Seoul, the sources said. Japan accordingly has insisted that South Korea should not attach too high a priority to how much the mission buys, they added. The Tokyo side is known to have no special plan about the purchase of Korean products.

In a meeting of the countries' working-level officials in Tokyo Aug. 22-24, South Korea gave to Japan a list of 465 commodity items it wants the mission to purchase.

N. KOREAN GNP LESS THAN ONE-FIFTH OF SOUTH'S

SK310636 Seoul YONHAP in English 0632 GMT 31 Aug 84

[Text] Seoul, Aug. 31 (YONHAP) -- North Korea's gross national product (GNP) totaled 14 billion U.S. dollars in 1983, representing less than one-fifth of South Korea's, the NAEWOE PRESS reported Friday. NAEWOE said per capita national income (ni) in North Korea stood at 760 dollars last year, about one-third of South Korea's per capita ni of 1,850 dollars.

The official North Korean watcher said that the economic gap between South and North Korea widened last year, noting that the North Korean economy grew by 4 percent while that of South Korea grew by 9.5 percent. North Korean leaders have insisted that the per capita ni in North Korea reached 2,000 dollars in 1983, but the actual figure was far from that given in the propaganda, the press asserted.

FOREIGN MINISTER, IRAQI ENVOY DISCUSS COOPERATION

SK300146 Seoul THE KOREA TIMES in English 30 Aug 84 p 1

[Text] Foreign Minister Yi Won-kyong and new Iraqi Consul-General Kais Mahmood Mousa discussed ways of strengthening cooperation between the two countries when they met at the ministry yesterday. Mousa 39, was assigned to Seoul two weeks ago. For the past two years, the Iraqi Government had not named a consul-general to Seoul due to "financial difficulties."

Iraq, which has suspended diplomatic relations with North Korea because of North Korea's military support for Iran, established a consul-general level diplomatic channel with the Republic of Korea in 1981.

During the meeting with Minister Yi, the new Iraqi diplomat was said to have expressed satisfaction with the fact that about 13,000 Korean workers have been engaged in Iraqi industrial development projects. Minister Yi said that he hoped the economic ties between the two countries would be further promoted in the future.

CENTRAL AFRICAN MINISTER EXPRESSES SUPPORT

SK300809 Seoul YONHAP in English 0733 GMT 30 Aug 84

[Text] Seoul, Aug. 30 (YONHAP) -- Central African Foreign Minister Clement Michel-Pascal Nga Gnii-Voueto said Thursday Central Africa supported the Government of South Korea's efforts to solve issues on the Korean peninsula through dialogue. He added that his state will try to help solve the Korean issue in the international arena, including non-aligned forums.

In a press conference at a hotel here, he expressed the hope that the Seoul Olympic Games in 1988 will be successful -- an event in which all the nations of the world participate. He emphasized that the Games should be a festival of peace to enhance understanding among all people in accordance with the basic spirit of the Olympics.

The Central African minister flew into Seoul Monday for a five-day visit at the invitation of his Korean counterpart Yi Won-kyong.

MAURITANIA IMPOSES MORE TAXES ON FISHING FIRMS

SK300047 Seoul YONHAP in English 0018 GMT 30 Aug 84

[Text] Seoul, Aug. 30 (YONHAP) -- South Korean fishing firms are facing hardships in operations off Mauritania because the African country is imposing additional fees and taxes. The National Fisheries Administration (NFA) said Thursday that Mauritania has additionally imposed a provincial tax, a provincial export tax, a ship inspection fee and clearance charges on Korean fishing vessels.

Korean fishing companies are paying fishing fees and donations to the African country based on the fisheries agreement concluded between the two nations in 1983, NFA officials said. The agreement stipulates that Korea will pay 450 U.S. dollars per ton of vessel, 120 dollars of export tax per ton of fish catch and three million dollars for three years, which goes into a shipyard construction fund as a donation.

NFA complained that the additional charges and taxes being imposed violate the agreement. Under the agreement, 13 fishing boats are allowed to fish in waters off the African nation.

The South Korean Government has urged its Mauritanian counterpart to cease the illegal collection of fees and taxes now being levied against Korean fishing firms, NFA officials added.

DKP HEAD CALLS FOR DIRECT PRESIDENTIAL ELECTION

SK310101 Seoul THE KOREA TIMES in English 31 Aug 84 p 1

[Text] Puto, Chungchong nambo -- Rep. Yu Chi-song, president of the major opposition Democratic Korea Party reiterated yesterday that the Constitution should be revised in such a way as to elect the president by direct popular vote.

He said: "That is the only way to realize a peaceful transfer of power in 1988 as stipulated in the Constitution." The DKP leader came here to attend a rally of the party chapter for the Puyo-Poryong-Sochon district, Chungchong-namdo, which is chaired by Rep. Cho Chungyon. Some 20 lawmakers including Reps. Ko Chae-chong, vice speaker of the National Assembly, and Yu Han-yol, secretary general, were also present at the party event.

During the rally, which drew about 2,000 DKP supporters, Rep. Yu said: "Even though President Chon Tu-hwan has expressed his unswerving commitment to a peaceful change of the government in 1988, it is impossible without the revision of the Constitution to direct election of the president." The DKP leader said: "When my party takes over the government in 1988 through peaceful means, it means that a genuine democracy will take root for the first time in the nation."

Then, Rep. Yu emphasized that the forthcoming parliamentary elections will be a decisive moment for the realization of a peaceful transfer of the government. He regretted that his party has failed to change the Constitution to secure peaceful change of the government during the current National Assembly due to the opposition of the ruling Democratic Justice Party. The opposition leader stressed that the revision would be possible in the next parliament if his party became the major force. The DKP leader will take part in another rally today for Rep. Kim Chin-pae, who heads the DKP chapter of the Kimje-Pusan district, Cholla-pukto.

NATIONAL UNIVERSITY WARNS OF REGISTRATION BOYCOTT

SK310049 Seoul THE KOREA TIMES in English 31 Aug 84 p 8

[Text] The Seoul National University administration warned yesterday that it would expel students who boycott registration for the second semester unless they finish the registration procedures before the deadline set for today.

"For students who do not complete the registration procedures," the administration said in a notice issued in the name of the dean of school affairs, "it is invevitable under the current regulations to remove them from the school register." Some SNU students have recently resolved not to register with the school unless the school accepts their demand for allowing students to pay funds for student activities to autonomous student bodies and not to the Student Defense Corps.

STUDENTS CLASH WITH POLICE OVER CHON JAPAN VISIT

OW311149 Tokyo KYODO in English 1139 GMT 31 Aug 84

[Text] Seoul, Aug. 31 KYODO -- Some 400 college students Friday clashed with riot police after staging a demonstration in the compound of a cathedral in downtown Seoul to protest against President Chon Tu-hwan's state visit to Japan next week. About 60 students were detained, eyewitnesses said.

They were among some 2,000 students, mostly Catholic, who gathered at Myongdong Cathedral Thursday night for a lecture session on Korea-Japanese relations. The students, who held a sit-in overnight inside the cathedral, demonstrated and burned Japanese national flags in the compound from Friday morning to the afternoon. Policemen used tear gas to disperse the demonstrators, who countered by hurling stones during the clash.

The country's antigovernment students groups have opposed Chon's Japan visit, claiming Japan had not made an apology for its colonial rule over the peninsula before and during World War II.

KARENS REPORTEDLY RECAPTURE HILL FROM BURMESE

BK310110 Bangkok BANGKOK POST in English 31 Aug 84 p 5

[Text] Mae Sot, Tak -- Karen rebels yesterday recaptured strategic Hill 200, killing at least seven Burmese troops in a fierce artillery assault which lasted nearly two days.

Border sources said last night the Karens seized more than 300 rounds of mortar ammunition in the mop-up operation at the hill which has been the site of bitter and bloody clashes in recent weeks. Hill 200 is situated about three kilometres to the west of the Karens' Wang Kha camp. The hill and nearby Hill 300 have been used by Burmese troops as vantage points from which to attack the rebels' stronghold.

The Burmese have managed to take control of the hills several times but have always been repulsed in the ensuing Karen counter-attacks. The source said the dead Burmese soldiers belonged to the 77th and 81st batallions.

The Karens started shelling Hill 200 at 5 a.m. on Wednesday and kept up the barrage until 2:30 p.m. yesterday. The sources said at least 750 Burmese soldiers had dug in on Hill 200 and the artillery barrage had inflicted heavy casualties on them.

BRIEFS

CONSTRUCTION DELEGATION TO PRC -- A Burmese construction-study mission headed by the managing director of the Construction Corporation, U Khin Maung Maung, left Burma for the PRC by air this afternoon. The delegation was seen off at the airport by Construction Minister U Hla Tun, Deputy Minister for Construction U Kyin Hlaing, PRC Charge d'Affaires ad interim Mr (Chin Tong) and staff members of the PRC Embassy, and responsible officials. Members of the delegation are Director of Roads U (Khin), Staff Officer Grade I and Director of Electricity U (Win Pe), Staff Officer Grade II for Bridges and Production U (Kyaw Ho), and Executive Engineer for Loilem Region of the Construction Corporation U (Thant Zin); and Deputy Chief Engineer U (Tin Thu), staff engineer U (Than Myint), and assistant engineer U (Chit Lwin) of the Railways Corporation. [Text] [Rangoon Domestic Service in Burmese 1330 GMT 29 Aug 84 BK]

SRV JUSTICE MINISTER PHAN HIEN VISITS

BK301215 Phnom Penh SPK in English 1115 GMT 30 Aug 84

[Text] Phnom Penh SPK August 30 -- A delegation of the Vietnamese Ministry of Justice led by Phan Hien, minister, arrived here Thursday for an official visit to Kampuchea. It was welcomed at the Pochentong airport by Uk Bunchhoeun, minister of justice, and other Kampuchean officials. Also present was Vietnamese Ambassador Ngo Dien. The delegation is scheduled to exchange experiences with its Kampuchean counterpart.

LEADERS RECEIVE MESSAGES FROM MONGOLIANS

BK220748 Phnom Penh Domestic Service in Cambodian 0430 GMT 22 Aug 84

[Text] Comrade Heng Samrin, general secretary of the party Central Committee and chairman of the Council of State, and Comrade Chan Si, chairman of the Council of Ministers of the PRK, recently received a message of thanks from Comrade Yumjaagiyn Tsedenbal, general secretary of the party Central Committee and chairman of the People's Great Hural Presidium of the Mongolian People's Republic, and Comrade Jambyn Batmonh, chairman of the MPR Council of Ministers. The message said, among other things: We would like to reaffirm the ever growing bonds of fraternal friendship, cooperation, unity, and militant solidarity between our two parties, governments, and peoples on the basis of the principles of proletarian internationalism. We would like to sincerely wish you, comrades, and the KPRP Central Committee, the Council of State, the PRK Council of Ministers, and the entire Kampuchean people more and greater successes in the struggle to carry out the tasks set by the Fourth KPRP Congress to safeguard and develop the revolutionary gains and defend independence and territorial integrity against all activities of imperialism, hegemony, and other reactionary forces.

On the same occasion, Comrade Hun Sen, vice chairman of the Council of Ministers and minister of foreign affairs of the PRK, also received a message of thanks from Comrade Mangalyn Dugersuren, minister of foreign affairs of the MPR. The message stressed: We are satisfied with the fact that the bonds of friendship, cooperation, and solidarity between our two countries based on the principles of Marxism-Leninism and proletarian internationalism are developing and growing stronger in all fields in the interests of peace, socialist progresss, and socialism.

I would like to wish you, Comrade Minister, the best of health, happiness, and new successes in your noble mission to strengthen friendship, cooperation, peace, and security of the people.

COMMENTARY WELCOMES POLICY ON 'MISLED PEOPLE'

BK301157 Phnom Penh Domestic Service in Cambodian 1300 GMT 28 Aug 84

[Station commentary: "A Noble Humanitarian Policy"]

[Text] The recent Seventh Session of the PRK National Assembly's First Legislature has adopted important policies to encourage our entire people to continue to contribute to the revolutionary movement to serve the cause of defending and building the land. These policies include one toward misled people among the Armed Forces opposing the revolution who have abandoned the enemy ranks to return to the people. The six-point policy highlights the noble humanitarian spirit our party and state hold for all the children of the Kampuchean fatherland who have been led astray by the enemies' deceitful propaganda and turned against the revolution and the people.

Our people do not and never will consider those fraternal misled persons as enemies. On the contrary, our people have sought all means to guide those people to see what is right and what is wrong, know the truth, and return to live with their families and society. Our party, government, and people clearly realize that only a handful of people are willing to serve as lackeys of the enemies to oppose their own fatherland and people and commit unpardonable criminal acts. The majority of soldiers in the enemy ranks were forced, victims of circumstances, or bought over temporarily to follow the enemies. In their mind, our people have always been homesick for their land, families, and home towns. Given the opportunity, our people have always returned to live with the revolution and the people. This has been clearly and vividly demonstrated in the past by the successive return of thousands of enemy soldiers from various units who have come back by various means to live with our people.

The spirit of this six-point policy once again expresses the clemency of our party, government, and people toward those among the enemy ranks. This policy clearly expresses that once these people return, they will have rights like other citizens and receive appropriate rewards in accordance with their achievements. They will also be assisted in finding ways to earn a living. Our party and state have concluded that as long as there are misled people, there always will be many divided and suffering families. Our party and state are concerned about the life and the future of these people who live dangerously among the enemy ranks. Every day, they are victims of all kinds of injustice, are forced to do things against their wishes, such as killing people, burning down houses, and plundering property. Our people have witnessed with their own eyes the internal conflicts of the enemies who are great murderers responsible for killing more than 3 million innocent people and who have plunged the Kampuchean fatherland into an ocean of tears and blood.

The six-point policy toward misled people shows the great and victorious force of the solidarity alliance of our people and the great force of our state authority which has received the full support of our entire people and progressive peoples the world over. Without this great force, an extensive and humanitarian policy full of clemency could not have been put forward at the Seventh Session of the First National Assembly. Even young people among the enemy ranks, once they have heard of this policy, will be able to see the humanitarian spirit and the great force of our revolution in it.

The Kampuchean revolution is always on the offensive. The entire Kampuchean people have joined forces to create a solid, powerful, and indomitable steel bastion. As for the handful of enemy soldiers who survive through sustenance from Beijing and Thailand, they are only fireflies against the sunlight. Starting from this great force, the Kampuchean revolution is appealing to the misled people, for at no time does the revolution want to bear grudges or use violence, except against the stubborn who are determined to oppose the revolution and the people.

This six-point policy shows confidence in the masses' awakening spirit, for it clearly says that the misled people's past will not be taken into account when they return to live with society. The revolution firmly believes that once those misled persons have seen the light of truth, they will certainly return to the revolution and produce other achievements. This will create favorable conditions for these persons to contribute to the best of their abilities to the cause of defending and building the Kampuchean fatherland and making it prosperous. In the past, this has been evidenced by thousands of enemy soldiers returning to society and building a new and peaceful life with their families and relatives.

The six-point policy toward misled people which has just been adopted by the National Assembly is an important document and a great appeal. This is not a temporary policy. It is a long-term policy among important policies of our party and state. This policy has profound legal, administrative, and educational significance. It has opened up a broad path for soldiers among enemy ranks to create achievements and return to the fatherland. This policy will push the spirit of our people who have relatives still holding guns among enemy ranks to seek all means to appeal, encourage, and assist those people to get themselves out of that dark life and return to the revolutionary light.

Our entire people are glad and vigorously welcome this six-point policy and are determined to implement it in their daily life and to transform it into concrete practice. Based on the truth of the revolutions's victories, we firmly believe that the six points of this policy will awaken many soldiers among the enemy ranks. Our people's living conditions have been improving daily; the Kampuchean revolution has been scoring brilliant victories. Fellow compatriots misled by enemy propaganda, what are you waiting for? The opportunity has arrived. You must quickly take action.

VONADK, VODK BATTLE REPORTS FOR 24-30 AUG

BK310326 [Editorial Report] (Clandestine) Voice of the National Army of Democratic Kampuchea in Cambodian and (Clandestine) Voice of Democratic Kampuchea in Cambodian broadcast the following battle reports during the reporting period 24-30 August:

VONADK at 2300 CMT on 24 August reports that from 12 to 20 August, DK combatants of Kampot, Takeo, Chhep, South Sisophon, Battambang, National Route 4, Moung-Pursat, Ratanakiri, and Siem Reap battlefields killed 50 Vietnamese soldiers; wounded 84 others; destroyed 18 assorted guns, 1 commune office, 6 barracks, 1 truck, railroads at 7 places, and some war materiel; seized 8 guns and some ammunition and war materiel; and liberated 5 hamlets on Chhep battlefield.

VODK AT 2330 GMT on 24 August reports that National Army and guerrillas on Moung-Pursat battlefield ambushed a Vietnamese company coming out of Sdok Khtum on 18 August, killing seven Vietnamese soldiers and wounding three others. In the same cast, VODK reports that between 7 and 19 August, DK guerrillas on Leach, Pailin-Route 10, Kompong Thom, and Preah Vihear battlefields killed or wounded 73 Vietnamese soldiers, including a platoon commander killed; and destroyed or seized some weapons, ammunition, and materiel.

VONADK at 2300 GMT on 25 August reports that between 5 and 21 August, DK forces on Siem Reap, Koh Kong, Sisophon, Kompong Cham, Kompong Thom, Kampot, and Moung-Pursat battlefields killed 67 Vietnamese soldiers; wounded 85 others; destroyed 20 assorted weapons, 7 trucks, 1 ammunition depot, 1 rice storehouse, 1 material storehouse, 1 power tiller, 1 C-25 field radio set, and 10 barrels of fuel oil; seized 38 assorted guns, 1 C-25 radio set, and some ammunition and material; and liberated a company position in Siem Reap Province.

VODK at 2330 GMT on 25 August reports that on 14 August DK forces intercepted a Vietnamese company sallying out of Trapeang Snuol for Ta Ni village in Angkor Chey District, Kampot Province, putting out of action 23 Vietnamese soldiers, including a platoon commander killed. On 18 August, DK National Army and guerrillas attacked a Vietnamese platoon position at Pradeh Dam in Kompong Trach District, Kampot Province, killing four Vietnamese soldiers, including two company commanders, and wounding eight others. Another Vietnamese soldier was also killed the following day. DK forces also attacked a Vietnamese commune office in Kompong Preah En commune, Chhep District, Preah Vihear Province on 17 August. As a result, three commune office buildings were destroyed and five hamlets — Kompong Preah En, Kompong Chrey, Kompong Sami, Kompong Ampil, and Kompong Krasang — were set free.

VONADK at 2300 GMT on 26 August reports that between 5 and 24 August, DK forces on Sisophon-south of Route 5, Chhep-Thalabarivat, Sisophon-north of Route 5, Kratie, Kompong Speu, and Battambang battlefields killed or wounded 97 Vietnamese soldiers; destroyed 3 B-40's, 2 AK's, 1 RPD, 3 commune office buildings, 7 portions of road, and some ammunition and war material; and liberated 7 villages on south Sisophon battlefield.

VODK at 2330 GMT on 28 August reports that between 9 and 24 August, DK forces on Komping Speu, Battambang, Samlot, Pailin, south Sisophon, Kratie, and Chhep battlefield killed or wounded 189 Vietnamese soldiers; destroyed 10 assorted weapons, 2 trenches, 1 trade office, 3 barracks, and a quantity of war materiel; dismantled 7 portions of road; and seized a quantity of weapons, ammunition, and war materiel.

VONADK at 2300 GMT on 27 August reports that between 9 and 23 August, DK forces on Kompong Chhnang, Pailin-Route 10, Samlot, Kratie, and south Sisophon battlefields killed 44 Vietnamese soldiers; wounded 50 others; destroyed 5 AK's, 2 commune offices on Kompong Chhnang and Kratie battlefield, and some war materiel; seized a quantity of guns, ammunition, and war materiel; and liberated a village on Kompong Chhnang battlefield.

VONADK at 2300 GMT on 28 August reports that between 13 and 24 August, DK guerrillas killed 56 Vietnamese soldiers and wounded 90 others; destroyed some guns, 4 commune office buildings on Kompong Thom, Kampot, and Kompong Cham battlefields, and some war materiel; seized 14 weapons and some ammunition and materiel; and liberated 13 villages on Kampong Thom battlefield.

VODK at 2330 GMT on 29 August reported that from 16 to 24 August, DK Army and guerrillas killed or wounded 138 Vietnamese soldiers; destroyed 2 commune offices, 4 barracks, and some weapons, ammunition, and materiel; and liberated 2 commune offices and 13 villages on Kompong Thom battlefield.

VONADK at 2300 GMT on 29 August reports that between 5 and 25 August, DK combatants on Preah Vihear, south Sisophon, Pailin-Route 10, Kompong Chhnang, Kompong Cham, Kompong Thom, and Kompong Speu battlefields killed or wounded 87 Vietnamese soldiers; destroyed some weapons, 2 commune offices, 31 barracks, and some materiel; dismantled 7 portions of railroad track; seized some weapons, ammunition, and war materiel; and liberated 4 villages on Preah Vihear battlefield.

VODK at 2300 GMT on 30 August reports that between 5 and 26 August, DK forces of Kompong Speu, Kompong Chhnang, Pailin, south Sisophon, Kompong Thom, Kompong Chan, and Preah Vihear battlefields killed or wounded 95 Vietna se soldiers; destroyed 30 barracks and some weapons, ammunition, and war materiel; and liberated 4 villages in Rovierg District, Preah Vihear Province.

VONADK at 2330 GMT on 30 August reports that between 14 and 25 August, DK forces on Pursat, Chep, north Sisophon, Siem Reap, Pailin-Route 10, and Stung Treng battlefields killed or wounded 131 Vietnamese soldiers; destroyed 6 AK's, 1 M-79, 1 commune office, 6 barracks, 25 trenches, 2 trucks, and a quantity of war materiel; seized a quantity of guns, ammunition, war materiel; and liberated 3 villages on Pursat battlefield.

SISAVAT KEOBOUNPHAN TALKS TO YOUTH UNION MEMBERS

BK301205 Vientiane KPL in English 0903 GMT 30 Aug 84

[Text] Vientiane, August 30 (KPL) -- General Sisavat Keobounphan, secretary of the party CC, and minister of interior, on August 28, talked to youth members at the Youth Revolutionary Youth Union headquarters.

Addressing the gathering, S. Keobounphan, highlighted the regional and world tension due to the war-monger attitude of the U.S. imperialists in collusion with the Beijing hegemonists and expansionists and here he raised the Lao-Thai border conflict derived from the illegal occupation of the Lao northwestern hamlets of Sayaboury Province by Thai reactionary troops.

The party secretary also pointed out the significance of the forthcoming historical friendship festival of the Lao and Soviet youths which represents the furthering of friendship and all-round cooperation between the 2 parties, governments and youths.

PARTY DELEGATION LEAVES FOR ADDIS ABABA

BK301209 Vientiane KPL in English 0906 GMT 30 Aug 84

[Text] Vientiane, August 30 (OANA-KPL) -- A Lao People's Revolutionary Party CC delegation led by Maisouk Saisompheng, member of the party CC who is also minister of industry, handicrafts and forestry, yesterday, left here for Ethiopia [to] attend the First Congress of the Ethiopian Workers' Party which will be held in Addis Ababa from August 6 to 10, 1984 [month as received].

Seeing the delegation [off] at the airport were Vanthong Senguang, member of the party CC, minister of trade, and other officials.

VIENTIANE URGES THAIS TO RESIST CHINESE SCHEMES

BK301636 Vientiane Domestic Service in Lao 0000 GMT 30 Aug 84

[Unattributed Commentary: "What Kinds of Bad Incidents Will Happen in Following the Path of the Chinese Reactionaries?"]

[Excerpts] Even though condemnation of the Chinese capitalists for monopolizing and controlling the Thai economy, society, and military has not been clearly heard from Thai student movements, Thais of all strata have now fully realized that over the past several decades, through the Overseas Chinese who have been living in Thailand for several generations, China has gradually penetrated and interfered in Thailand's internal affairs. Particularly when Deng Xiaoping came to power, he enacted a reactionary law decreeing that all Overseas Chinese around the world must adhere to Chinese ideology. This law is aimed at fanning a sense of a nationalism and using bad elements among the Overseas Chinese to serve Beijing's ruling circles.

Everyone knows full well that in the recent past China provided extensive support and assistance, including weapons and training support, to the Thai Maoist movement. However, this movement finally broke up because of internal bickering of the same sort experienced by the Chinese rulers. This movement inflicted heavy losses on the Thai people's lives and property. And now, when the Chinese leadership has changed its strategy by forsaking the revolutionary path to take up the international reactionary course of expansionism-hegemonism and by colluding with the imperialists, China has stopped supporting and feeding the Thai Maoist clique and has instead resorted to a new trick.

Can the Thais trust several thousand Thai Maoista who still adhere to Maoist and Deng ideology by giving themselves up to the Thai Government? These elements are now mingling with every fiber of Thai society both in the rural and urban areas. Thai authorities are fully convinced that they cannot lay their hands on these Maoists.

Thais in general are also aware of the growing number and economic power of the Overseas Chinese communities in Thailand. Several businesses operated by ethnic Thai businessmen have gone bankrupt because of the economic strength of the Overseas Chinese in Thailand, who, in turn, together with other foreign capitalists, are getting richer and richer. In addition, a large number of Thai citizens have been sent to attend training programs in China to serve the long-term policy of the Chinese big-nation expansionists and hegemonists.

It is a bad omen that the ultrarightist reactionaries in Thailand are now following the Chinese by supporting and feeding the genocidal Pol Pot clique and creating tension along the Kampuchean-Thai and Lao-Thai borders. After Laos and Thailand signed two joint communiques in 1979, the normal relations and tranquillity between the two countries were gradually restored and the Lao and Thai people were living peacefully together along a border of peace and friendship. But this ran contrary to the evil intentions of the Chinese ruling clique which has consistently aspired to expand its hegemonist power by creating tension in this region.

In the meantime, the Thai ultrarightist reactionaries also want to revive Thai hegemonistic aspirations so they can commit crimes against other people at whim. Nevertheless, the Thai and Lao people as well as other people around the world are fully aware that a nation must determine its own destiny through its own policy. It cannot simply fall for the evil and dangerous teachings of the Beijing ruling clique. The world's people have come to realize the Chinese ruling clique's evil scheme and are now more determined to smash their multilfaceted war of aggression in order to restore peace and security to their countries.

It is certain that the peace- and independence-loving Thai people will never allow the Chinese expansionists and hegemonists to carry out in Thailand the dangerous activities they have engaged in against the three Indochinese countries.

BRIEFS

GOVERNMENT DELEGATION TO LIBYA -- Vientiane, August 28 (KPL) -- Lao governmental delegation, led by Prof. Souli Nangnavong, minister to the Council of Ministers, and chairman of the National Scientific and Technical Committee yesterday left here for Tripoli to attend the 15th national day celebration of the Socialist People's Libyan Arab Jamahiriya. Seeing the delegation off at the airport were Sosavat Iengsavat, deputy-minister and deputy-head of the Office of the Council of Ministers, and other officials. [Text] [Vientiane KPL in English 0921 GMT 28 Aug 84 BK]

HANOI PAPER DELEGATION ARRIVES -- Vientiane, August 28 (OANA-KPL) -- A Vietnamese HANOI MOI newspaper delegation led by its editor-in-chiet Linh, arrived here yesterday for a friendship visit. Welcoming the delegation at the airport were Sivilai Souvankham, propaganda and training board committee of Vientiane prefecture and other officials. [Text] [Vientiane KPL in English 0925 GMT 28 Aug 84 BK]

PREM TO VISIT U.S. FOR MEDICAL CHECKUP 14 SEP

BK310118 Bangkok THE NATION REVIEW in English 31 Aug 84 pp 1, 2

[Text] Prime Minister Gen Prem Tinsulanon has decided to leave for the United States on Sept 14 for a medical check-up, Government Spokesman Trairong Suwankhiri said yesterday.

An informed source said the premier will be accompanied by a 10-member delegation, including his personal doctor Col Dr Chawin Pawiphada.

The source said Gen Prem will stop over in Washington D.C. but he is not likely to be admitted to Walter Reed Military Hospital as earlier reported. "It will be one of the hospitals arranged by the U.S. Government," he said. Bethesda Naval Hospital in Maryland had been mentioned as a hospital where the premier will probably have a physical check-up. But it cannot be officially confirmed.

Trairong said the Foreign Ministry was making arrangements for the trip which will be preceded by that of Foreign Minister Sitthi Sawetsila. The foreign minister is scheduled to leave for a tour of Latin America on Sept 8.

Gen Prem has been suffering from influenza and later developed pains in the chest. But Trairong said Gen Prem appeared healthy when he called on him at his Sisao residence on Wednesday for 30 minutes. "He can eat and sleep as normal but he has been advised by doctors to take a lot of rest," he said. Trairong said Gen Prem, dressed in jeans and white T-shirt with a cream-coloured jacket, also inspected a unit of 30 security men doing a routine exercise in the compound of his residence. The source said that Gen Prem will only have a physical check-up and not a medical treatment on the trip to the U.S.

Deputy Premier Phichai Rattakun said that President Ronald Reagan had sent a cable to Gen Prem inviting him to have a medical check-up in the U.S. Phichai said the latest medical report showed that the premier's health had greatly improved. He said if the premier wanted a medical check-up he could do so in Thailand which has many medical experts.

Supreme Commander Gen Athit Kamlang-ek said on Wednesday that the premier should go to the U.S. for a medical examination as offered by the U.S. Government.

Gen Prem, who celebrated his 64th birthday last Sunday, has been away from work since early last week.

PARLIAMENT PASSES FISCAL 1985 BUDGET BILL

BK310308 Bangkok BANGKOK POST in English 31 Aug 84 pp 1, 3

[Text] The House of Representatives passed the final reading of the record 213,000-million-baht budget bill for fiscal 1985 at midnight by 183:48 votes after a marathon, but lacklustre, debate since the morning.

Towards the end of the debate, House Speaker Uthai Pimchaichon rushed the MP's to make their points as they spoke on the items which they had reserved their rights to scrutinise. Several MP's who earlier made reservations for debate simply gave a bye.

After the government had assured that the debate of the city election bill would be debated in this special session in the morning, the second and third readings of the budget were expected to go smoothly and end quickly so as to allow enough time for the deliberation of the city election bill and other legislations. Contrary to the expectation, MP's from both the government and opposition camps went at length to debate on the budget item by item and demand more slashes on several items. However, as the debate dragged on, more MP's who reserved their rights to debate withdrew in order to cut it short. The House Speaker kept reminding the MP's on the floor that they had to keep their speeches short and at several times exchanged words with the anxious MP's.

The pro-government parties voted with an overwhelming majority to defeat all the new attempts to cut the budget.

The budget cuts totalling 1,612.8 million baht as worked out by the Budget Scrutiny Committee were left untouched in the end. The cuts, mostly on fixed costs such as wages, compensation and fuel costs were transferred to the budget for development, which totals only 35,000 million baht, or about 16 per cent of the total budget.

The controversial secret funds of the Armed Forces totalling 371 million baht were passed intact despite opposition vote against the funds.

Opposition MP Khlaeo Norapati (Social Democrat, Khon Kaen) tried in vain to have as much as 60 million baht slashed from the defence secret funds. MP Khlaeo called on the government and the Budget Scrutiny Committee to explain the spending procedure of secret funds. He also directed a question at Deputy Defence Minister ACM Phaniang Kantarat if it was true that some of the money from the funds was paid to buy the loyalty of commanders of major combat units.

ACM Phaniang, a member of the Budget Scrutiny Committee himself, refused to answer Mr Khlaeo's questions. But MP Songtham Panyadi (Chat Thai, Chiang Rai) explained that to use the secret funds, approval of the defence minister, supreme commander and commander—in—chief of the Armed Service had to be secured first. Mr Songtham, who is an opposition MP and a member of the Scrutiny Committee, said the secret funds were mostly spent on psychological warfare, intelligence and counter—intelligence and counter—intelligence activities and national security work in the border areas. He said he and other committee members had studied the documents on the use of secret funds in previous years provided by the Defence Ministry.

Also coming under heavy fire from the MP's was the 110-million-baht allocation for the Prime Minister's Office to support and enlarge the country's reserve force as a backup for the standing Army. MP Anuwat Watthanapongsiri (Chat Thai, Buri Ram) said he wanted the reserve programme to be cancelled. He told Parliament that the MP's office was not entrusted with national security tasks and said the programme to train and arm reservists tacked "clear-cut and concrete objectives." Several other MP's who also wanted the programme scrapped debated along the same line.

COMMENTARY ON LEHMAN VISIT, SINO-U.S. 'COLLUSION'

BK301437 Hanoi Domestic Service in Vietnamese 1430 GMT 29 Aug 84

[Station commentary: "Sino-U.S. Collusion Increases Danger to Peace in Asia and the Pacific"]

[Text] The military collusion between China and the United States, coupled with their economic, political, and cultural relations, is being strengthened, step by step, although the Beijing authorities often complain that the Taiwan issue remains a stumbling block in this relationship. The visit to China by U.S. Secretary of the Navy John Lehman in the middle of this month was a significant step forward in this relationship. Publicly, both Beijing and Washington have deliverately played down the significance of the visit to China by the U.S. secretary of the Navy; but in reality, beyond what everyone has known through leakage from the U.S. side, fresh reports have indicated a strong development in the military relationship between Washington and Beijing.

THE WASHINGTON POST in its 21 August issue featured an article by Michael Weisskopf, its correspondent in Beijing, quoting diplomats in Beijing as saying that the most striking point of John Lehman's visit to China was the talks on a possible port call by U.S. warships early next year. Beijing has not officially rejected this possibility; and it is known that, also according to THE WASHINGTON POST, Chinese officials, during their talks with John Lehman, expressed their interest in this idea and cast off their previous reservation. In the coming days, Chinese and U.S. officials will hold further discussions to determine the date, the types of vessels, and the number of U.S. warships to visit China.

Propaganda organs of both the United States and China have also deliberately played down the political and military significance of this issue by saying that U.S. warships will call at Chinese ports chiefly for ceremonial purposes only. However, many Western military observers consider this a strategic factor that will promote the relationship between the Chinese and U.S. naval forces. Over the past 35 years, since the founding of the PRC, no U.S. warships have ever been permitted to call at Chinese ports, but it is different now. This does not surprise observers, because during his visit to China in September 1983 U.S. Secretary of Defense Weinberger had already discussed with Chinese leaders naval relations between the two countries and permission for U.S. warships to call at Chinese ports; and now both sides are putting this plan into practice.

At present the United States is talking much about its strategy toward Asia and the Pacific, including its economic and military plans. To carry out this large and highly ambitious strategy the United States has Japan and South Korea as its allies; and now it also enlists the help of China, its new friend. Many observers note that following its defeat in Vietnam, the United States felt it difficult to return to Asia and the Pacific; but now, with China's help, it can return via the China road, with Chinese policy, and also with the U.S. policy toward China.

For its part, Beijing in strongly and absolutely taking advantage of the boon derived from the relationship with its good friends the United States and Japan, as well as with its Western friends. It is seeking capital and technology for rapidly carrying out the four modernizations. It is asking its friends for aid in modern military technology to modernize its military machine. And to exchange for all this, the Chinese authorities have been doing all they can to please the United States and other Western countries.

For instance, they have opened wide the door for the capitalists to make their investments with all sorts of prerogatives and privileges. Furthermore, they have entered into comprehensive collusion with the United States, Western Europe, and Japan; intensified their activities against the Soviet Union, Vietnam, Laos, and Kampuchea; and divided and undermined the world revolutionary movement.

Returning to the issue of naval relations, Western observers believe that China has agreed to allow U.S. warships to call at its ports in exchange for U.S. assistance in modernizing its fledging Navy which is only capable of coastal patrol duties and is short of both air cover and support ships that are necessary for conducting a modern war on the sea. Beijing is presently very interested in radar, air defense weapons, and the systems for modernizing its Navy. With its ambitious expansionist and hegemonist scheme, Beijing feels that its existing navy is unsuitable and does not meet the requirements. Beijing craves to rapidly control the eastern sea and the waters beyond.

Both Beijing and Washington often sing the same tune that Sino-U.S. relations are beneficial to the defense of peace and are necessary for peace. Nothing is more paradoxical than this kind of logic. Broad sections of public opinion, especially those in Southeast Asia, feel increasingly worried about China's expansionist and hegemonist policy now that this policy has received military support from the United States which is providing China with economic and technical aid to carry out the four modernizations, first of all military modernization. This danger is mounting steadily.

Along with the danger originating from China, the revival of Japanese militarism coupled with the Beijing-backed military alliance among the United States, Japan, and South Korea is also going strong, seriously threatening the peace of the countries in Asia and the Pacific. People who watch the situation closely cannot fail to predict the situation in Southeast Asia in the coming years when China will emerge as a country with a powerful Navy joining the naval forces of the United States and Japan to police the sea.

The peoples of Southeast Asia as well as the peoples throughout Asia and the Pacific are strongly raising the voices of peace, national independence, and social progress. The Labor Party government of New Zealand with Mr David Lange as prime minister has declared its prohibition against U.S. warships powered by nuclear energy or carrying nuclear weapons from calling at its ports. A conference held by 14 South Pacific countries in this capital of Tuvau on 27 August unanimously passed a statement demanding that the South Pacific be transformed into a nonnuclear zone.

Working against this desire of the peoples of Asia and the Pacific as well as of the Chinese people, the Beijing authorities are discussing with Washington naval cooperation and permission for U.S. warships to call at Chinese ports. This is further proof clearly showing that Beijing and Washington are the enemies of peace and all nations.

TO HUU MEETS VISITING GDR DELEGATION IN HANOI

OW310815 Hanoi VNA in English 0716 GMT 31 Aug 84

[Text] Hanoi VNA August 31 -- To Huu, Political Bureau member of the C.P.V. C.C. and vice chairman of the Council of Ministers, received here Thursday a G.D.R. delegation led by Jurt Jeibe, head of the Central Department of the Socialist Unity Party of Germany (S.E.D.) and president of the G.D.R. Solidarity Committee.

Also present at the reception were Hoang The Thien, vice-minister for disabled soldiers and social affairs, and G.D.R. Ambassador Hermann Schwiesau.

The delegation is here to attend the inauguration of a rehabilitation center built with G.D.R. assistance in Ba Vi District, Hanoi.

CHU HUY MAN HEADS DELEGATION TO ETHIOPIA

OW300755 Hanoi VNA in English 0715 GMT 30 Aug 84

[Text] Hanoi VNA August 30 -- A Vietnamese party and state delegation led by Chu Huy Man, Political Bureau member of the Central Committee of the Communist Party of Vietnam, left here today for Ethiopia at the invitation of the Commission for Organizing the Party of the Working People of Ethiopia and the Provincial Military Administrative Council.

The delegation will attend the congress for founding the Party of the Working People of Ethiopia and the celebrations of the 10th Popular Revolution Commemoration Day.

It was seen off by Hoang Tung, secretary of the C.P.V. Central Committee; Vu Quang, member of the party Central Committee, chairman of its International Department and member of the State Council; Hoang Anh Tuan, vice foreign minister; and other officials.

LEADERS GREET MALAYSIA ON NATIONAL DAY

OW301621 Hanoi VNA in English 1509 GMT 30 Aug 84

[Text] Hanoi VNA August 30 -- President of the State Council Truong Chinh and chairman of the Council of Ministers Pham Van Dong today sent this congratulatory messages respectively to King Almutawakkil Alallah Sultan Iskandar al Haj and Prime Minister Datuk Sri Mahathir bin Mohamed on Malaysia's 27th national day (Aug. 31).

President Truong Chinh's message said:

"May the friendly relationship and cooperation between Vietnam and Malaysia be constantly consolidated and developed in the interests of the two peoples and of peace, stability and cooperation in Southeast Asia".

The message wishes the Malaysian people happiness and prosperity.

Chairman Pham Van Dong's message wishes the Malaysian Government and people many new achievements in building a happy and prosperous country, thus making this worthy contribution to peace, stability and cooperation in this region".

On this occasion, Foreign Minister Nguyen Co Thach has also sent his greetings to his Malaysian counterpart, Tengku Ahmad Rithauddeen.

DO MUOI GIVES SPEECH AT SIXTH CPV PLENUM

OW200801 Hanoi VNA in English 0716 GMT 20 Aug 84

[Text] Hanoi VNA August 20 -- To streamline production and improve the mechanism of industrial management are the main subjects elaborated in a speech by Do Muoi, Political Bureau member of the party Central Committee and vice chairman of the Council of Ministers, at the recent sixth party C.C. plenum.

Reviewing the situation of industrial production and management over the past years, Do Muoi pointed out that much can be done to tap the economic potentials if timely changes in the right direction are effected through a step by step rationalization of the economic structure and a correct managerial mechanism.

He noted that though initial progress has been made, the tempo of industrial development is not even and vigorous enough, and production remains unstable, particularly at centrally-run establishments which are still fraught with numerous difficulties and its growth tempo remains low. The machines and equipment are, generally speaking, operating under capacity; labour productivity, product quality and economic efficiency are still low, and production cost and prices are still high.

In spite of its initial reorganization, the mechanism of economic management is still burdened by the administrative and bureaucratic management based on the state-financing system which fails either to create favourable conditions for the various branches, localities and grassroots establishments to operate efficiently or to bring into full play their initiative and creative spirit in order to make better use of their existing capacities. On the other hand, such a mechanism could not ensure an appropriate, unified and centralized management nor help in quickly overcoming scatteredness, regionalism, unorganization and indiscipline.

He said planning work has so far failed to bring into full play its key role in the managerial system and to contribute to rearranging production and building a rational economic structure. Cost accounting still bears a titular character, economic levers remain irrational in many aspects and the managerial apparatus is cumbersome, bureaucratic and ineffective.

He went on:

"Streamlining industrial production and improvement of industrial management must actively contribute to accelerating the revolution in the relations of industrial production. The socialist relations of production must be constantly enlarged and consolidated to make the socialist economic sector -- the kingpin of which is the state-run establishment -- broaden constantly, really play the leading role in the national economy. At the same time, we must make full use of the capacity of small industries and handicrafts and help them develop to meet the requirements of production, the people's life and export, provide more jobs for handicraftsmen, and create favourable conditions for part of private traders to engage in productive activities in the process of transforming private industry and trade."

He stressed that it is necessary to make planning the centre for improving managerial mechanism in which planning and the socialist way of cost accounting and running businesses will be closely combined.

Do Muoi said:

"To rearrange industrial production, it is necessary to concentrate the production capacities of the whole country, actively broaden the import capacity, and thoroughly practice thrift (first of all electricity, oil and materials) so as to turn out the most essential commodities. Priority should be given to important state-run establishments capable of maintaining stable production with the highest economic efficiency. We must rearrange centrally and locally-run state enterprises as well as small industrial and handicraft establishments in order to overcome the state of scatteredness, parcellation and overlapping. Establishments incapable of maintaining production according to plan should be helped to change their production lines in order to maintain and make full use of their existing capacities, maintain their supplies to society and jobs for their personnel. Those establishments which fail to ensure effective production, and operate at a loss over a long period will be closed down.

"Rearrangement of industrial production has to be carried out according to each technicoeconomic branch combined with reallocation on a territorial basis depending on each economic sector, production scale and technical standard."

Proceeding from the functions and tasks assigned each enterprise will have to determine what to produce, and what the most appropriate manufacture process to adopt and to streamline the managerial apparatus to ensure efficiency in production and running businesses.

"To rearrange production is a difficult and complicated work but it must be completed in a relatively short period of time," Do Muoi underlined.

With regard to the socialist transformation of small industries and handicrafts, he pointed to the principle of combining transformation with construction, the latter being the essential task.

"Through socialist transformation," Do Muoi said, "we must bring into play the leading role of the state-run economy while actively helping collective and private economies to grow according to the state plan in order to meet the planned targets."

"Together with accelerating collectivization of the private producers sector, it is necessary to readjust and consolidate the existing cooperatives, bring into play the role of collective mastery of co-op members with a view to boosting production, increasing labour productivity and product quality, reducing production cost, improving the co-op members' living conditions and constantly developing the prevalence of the collective economy over the private and individual economies. It is necessary to combat all the negative manifestations which infringe upon the state policies. All the disguised cooperatives engaged in illicit businesses will be disbanded".

COMPARISON OF VAN TIEN DUNG ARTICLE ON DEFENSE

Hanoi VNA in English at 1539 GMT on 21 August carries a report on the article by General Van Tien Dung, which was published on pp K 1-4 of the 28 August Asia & Pacific DAILY REPORT. The VNA version notes that Gen Van Tien Dung highlights various tasks "in the light of the resolution of the 6th Plenum of the CPV Central Committee."

HANOI PRAISED AT REGIONAL MILITARY CONFERENCE

BK291601 Hanoi Domestic Service in Vietnamese 1400 GMT 27 Aug 84

[Text] The Capital Military Region recently held a conference to study the Hanoi municipal party committee standing body's resolution on national defense and local military tasks. The conference unanimously praised the remarkable progress achieved by Hanoi during the 5-year 1979-83 period. With the expansion of areas of the municipality, the capital armed forces have grown rapidly, both quantitatively and qualitatively, particularly in its scale of organization, arms supplies, and combat readiness capability. Tasks concerning conscription, management of reserve troops, and maintenance of essential military facilities are gradually being systematized.

The implementation of the law on compulsory military service has achieved remarkable results, while negative phenomena have been promptly eliminated. The capital has fulfilled its troops recruitment quota for 4 consecutive years. Its annual political and military training for militia and self-defense forces has been completed ahead of schedule, and military contests of various echelons have been successful.

Various plans on mobilizing reserve troops, integrating essential military facilities, formulating civilian ground and air defense projects, combining economic construction with national defense tasks, establishing local people's combat positions, and building wards into combat units and districts into fortresses have been applied realistically.

The implementation of rear service tasks to ensure a happy life for families of fallen heroes and wounded soldiers and to provide jobs for discharged demobilized military personnel have had satisfactory results.

The capital Armed Forces have closely coordinated with public security and other forces to firmly maintain political security, social order, and safety, thereby playing the main role in the struggle against negative phenomena and the enemy's multifaceted war of sabotage.

To persistently strive to satisfactorily fulfill the capital national defense and local military tasks for the July 1984-March 1985 period, the Hanoi municipal party committee standing body's resolution has urged various echelons of the party committees and the administrations to continue to develop the combined strengths of the local collective mastery system; contribute to foiling the enemy's multifaceted war of sabotage; stir up the mass movement comprehensively; satisfactorily carry out security and national defense tasks; build safe [an toanf] organs and enterprises in order to advance toward building safe wards and districts; strive to turn 90 percent of organs and enterprises, 75 percent of villages, and 60 percent or more of subwards into safe units; improve the quality of the Armed Forces; strengthen the reserve forces; consistently meet combat requirements; and stand ready to support the Army under all circumstances.

GRAIN PRODUCTION FIGURES OF NORTH NOTED

BK291419 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Aug 84

[Text] By 15 August the northern provinces and cities had fulfilled 99.3 percent of the total plan norms for the delivery of the 1984 5th-month spring grain to the state granary. This figure included 368,000 metric tons delivered as agricultural tax payments, fulfilling 93 percent of the plan norms; 92,000 metric tons purchased under economic contracts; and 31,000 metric tons collected as payments for mechanized tillage and irrigation fees.

A total of 12 provinces and cities in former Zone 4 and in the delta and midland regions including Quang Ninh Province and 110 districts and 2,700 agricultural cooperatives have overfulfilled the total grain procurement targets for the 5th-month spring crop. Specifically, Nghe Tinh and Binh Tri Thien have fulfilled 115 and 105 percent of the targets respectively, while Ha Son Binh, Hai Hung, Haiphong, Thanh Hoa, Hanoi, Ha Nam Ninh, and Quang Ninh have fulfilled 101-102.3 percent of the targets. Many provinces are continuing to procure more grain in excess of the norms assigned by the central government.

The mountainous provinces' grain delivery has fallen short of the targets. Therefore, they should urgently provide guidance to ensure speedy grain delivery to the state granary. At the same time, they should actively collect corn to fulfill the plan assigned to them.

MALAYSIA

SAUDI OIL MINISTER HOLDS TALKS WITH RITHAUDDEEN

BK301025 Kuala Lumpur International Service in English 0600 GMT 30 Aug 84

[Text] Saudi Arabia's oil minister, Mr Zaki Yamani, says Malaysia can benefit by participating in OPEC as an observer. He stressed the need for cooperation by all oil producing countries, whether they were members of OPEC or not. Mr Zaki Yamani said this during discussions with the foreign minister, Tengku Ahmad Rithauddeen, in Kuala Lumpur today.

Tengku Rithauddeen told newsmen Malaysia may send observers to future OPEC meetings to exchange information. During their talks, both Mr Zaki Yamani and Tengku Rithauddeen disucssed bilateral relations, the international economic situation, and bilateral trade. Tengku Rithauddeen expressed the gratitude to the Malaysian Government for the cooperation from Saudi Arabia in the past.

On the world economic situation, Tengku Rithauddeen expressed concern that it will become reversible if policies are not formulated to speed up recovery. Both leaders also discussed solidarity of Muslims. Tengku Rithauddeen said Malaysia appreciated the role played by Saudi Arabia toward this end. Both leaders agreed that every Muslim nation must work hard to seek a permanent solution to the Iran-Iraq war.

OFFICIALS INFORMED OF CANCELED THATCHER VISIT

BK301557 Kuala Lumpur International Service in English 0800 GMT 30 Aug 84

[Text] The British Government has officially notified Malaysia of the decision of Prime Minister Margaret Thatcher to put off her plan to visit Malaysia and three other Asian countries next week.

Disclosing this today, Foreign Minister Secretary General Tan Sri Zainal Abidin Sulong said British High Commissioner Mr David Gillmore called on the prime minister, Datuk Sri Dr Mahathir Mohamed, this morning to explain the decision. Mr Gillmore also called on Foreign Minister Tengku Ahmad Rithauddeen to inform Malaysia officially of the postponement of the visit. Tan Sri Zainal said Malaysia has been told that Mrs Thatcher has put off her Far Eastern tour because of the ongoing coalmine and dock strikes in Britain. He said no new date has been set for the visit.

WORLD BANK LOAN ACTION URGENTLY REQUESTED

HK301032 Manila Far East Broadcasting Company in Tagalog 1000 GMT 30 Aug 84

[Text] The Philippines has made an urgent request to the World Bank to speed up the release of a \$150 million loan for use by the agricultural sector. The request was made recently by Ambassador Benjamin Romualdez when he met with World Bank officials in Washington. Romualdez pointed out the need to increase production in the Philippines. It is hoped that the bank officials will grant the petition being made by the Philippines.

MARCOS DECLARES STATE OF CALAMITY IN 19 PROVINCES

HK310755 Manila Far East Broadcasting Company in English 2245 GMT 30 Aug 84

[Text] President Marcos yesterday [30 August] declared a state of calamity in 19 provinces battered by typhoon Maring. The storm left 32 dead, 222 injured, and more 333,000 people affected by the calamity. Over 11,000 others lost their homes. Under the state of calamity are the Ilocos and Cagayan regions and the provinces of Tarlac, Nueva Ecija and Zambales; Cebu and Negros Occidental in the Visayas; and Misamis Oriental in Mindanao. The state of calamity will enable the government to take whatever drastic actions are necessary against hoarding, overpricing, and to ensure the flow of needed food and other supplies to the affected areas.

The president proclaimed the state of calamity as massive rescue and relief operations went full blast. The president also ordered the military to render all possible assistance to stranded families. Officials fear the death toll may rise once communications are restored with isolated areas and remote barangays. Damage to crops and infrastructure could reach hundreds of millions of pesos. Government teams are assessing the damage. Several bridges, including two spans in Rosales and a railway span in Bayambang, were washed away by rampaging flood waters. Nineteen landslides were reported in the Kennon, Naguilan, and Marcos roads leading to Baguio City. The reported deaths were 17 in Pangasinan, 9 in Baguio City, 3 in Negros Island, and 2 in Misamis Oriental. The other deaths were in Ilocos Norte, Cagayan, La Union, and Benguet.

The Office of Civil Defense is speeding up its relief and rehabilitation operations in areas affected by tropical storm Maring. All emergency agencies of the government have been harnessed to help the storm victims. Reports received by the Office of Civil Defense said the worst hit provinces are Pangasinan, Ilocos Norte, La Union, Nueva Ecija, Occidental Mindoro, Negros Occidental, and Misamis Oriental. Also affected were the cities of Baguio, Cavite, and Cebu. Civil defense officials revealed that the regional offices of the Ministry of Social Services and Development and the National Food Authority have enough supplies to cope with the emergency. They also continue to receive progress reports on relief and rehabilitation from their provincial and regional offices.

Meanwhile, Health Minister Jesus Azurin has ordered the immediate extension of health and medical assistance to storm victims in northern Luzon. Azurin said preventive measures are to be taken against possible outbreaks of diseases like pneumonia and other respiratory ailments. He said the services include vaccination, particularly against intestinal diseases, health education with emphasis on proper sanitation and hygiene, chlorination of polluted drinking water, and proper disposal of garbage and other waste matter. The health minister also said medical assistance also includes emergency treatment or immediate hospitalization and distribution of medicine to patients.

INCREASED VEHICLE, TRAVEL TAXES AUTHORIZED

HK301159 Manila Far East Broadcasting Company in Tagalog 1000 GMT 30 Aug 84

[Text] In a caucus presided over by President Marcos today, the Kilusang Bagong Lipunan was authorized to implement two decrees increasing vehicle registration and travel taxes. As a result of the 4-hour caucus, the KBL has exempted overseas contract workers from paying higher travel taxes on condition that they remit their dollar earnings through the Philippine National Bank or through any Philippine banks abroad.

Registration fees for jeepneys and tricycles were lowered by half, now making the charge 40 pesos per vehicle 100-gross weight instead of the former charge of 60 pesos road-user's charge for 2- and 3-axle vehicles.

Foreign Minister on Taxes

HK311125 Manila Far East Broadcasting Company in Tagalog 1000 GMT 31 Aug 84

[Text] Foreign Minister Arturo Tolentino has expressed his satisfaction over two new decrees raising the vehicle and travel taxes. Tolentino said that these new decrees initiated by the ruling Kilusang Bagong Lipunan [KBL] will be beneficial for all. The KBL had agreed that overseas contract workers would be exempted from the increased travel tax and that foreign earnings would be remitted through the Philippine National Bank.

The registration fee for jeepneys and tricycles was lowered, which was declared to be for the good of the general public.

Opposition Reaction

HK301255 Manila BUSINESS DAY in English 30 Aug 84 p 4

[By reporter Marites Danguilan-Vitug]

[Text] Open opposition within the Cabinet to two recent presidential decrees -- raising travel taxes and registration fees for motor vehicles -- indicates that some members of the Cabinet may be starting to distance themselves from President Marcos.

The substantial opposition gains in the Batasan election, the recent rash of massive anti-government demonstrations, and the current economic difficulties which may blame on the government all indicate that Marcos is no longer enjoying popular support, analysts contend. It is therefore believed in political circles that some high-ranking government officials are positioning themselves for a political future in the post-Marcos era. "They are walking the political tight-rope," one observer remarked. "They will want to position for the future."

Dissent from the president's men on matters of policy and legislation, was rarely made public in the past. Only Foreign Affairs Minister Arturo Tolentino, a known ruling party maverick, has disagreed openly with the president. If there had been others who opposed presidential pronouncements, they did so in the confines of Malacanang, during party caucuses or Cabinet meetings.

Former Minister of Argiculture Arturo Tanco Jr. told BUSINESS DAY in a recent interview that Defense Minister Juan Ponce Enrile and Labor Minister Blas Ople are two who are known to speak their minds during meetings with the president.

Many therefore read the open criticism of the two tax decrees by Ople and the usually acquiescent Tourism Minister Jose Aspiras as signs of "buying insurance for the future," as one opposition leader put it. Tolentino's stand to have the two PD's revoked was expected and observers say he is trying to "play his cards well."

It has also become clear that the president did not consult with some of the Cabinet members before issuing the controversial decrees. MP Leonardo Perez (KBL-Nueva Vizcaya), one of Marcos's political advisers, defended the president's move. He said Marcos has blanket authority to make laws: "He need not consult with us."

However, the president himself, in a speech during the opening of the new Batasan's regular session, said: "... Presidential authority will only be exercised upon recommendation of the majority party in caucus and only in cases where the Batasang Pambansa shall fail to act."

A Cabinet minister who refused to be identified told BUSINESS DAY. "Dissent within the Cabinet cannot be stopped." He also confirmed reports that he was not consulted on the two PD's. "Who wants to be taken by surprise by a member of your family?"

Asked if he made his views known to the president in Monday's Cabinet meeting, he replied: "The president did not talk to me so I did not express myself."

The lack or absence of communication with some cabinet ministers, some observers say, tends to show a communication breakdown in the otherwise tight ruling party. "Who is running the show?" it was asked.

MP Augusto Sanchez (PDP-Laban-Pasig-Marikina) discounts this. He told BUSINESS DAY that recent events do not indicate any kind of "weakness" in the president's leadership nor a crack in the majority party. "They (some Cabinet men) are starting to speak up. Imagine what will happen to their candidates in 1986 (local elections) if they don't show some independence or distance from Marcos."

It is said the essence of the game of politics is survival... Keeping a distance from the president at a critical time like this is therefore expected of astute politicians.

But others believe that no matter how removed from Marcos some Cabinet men like to project themselves, their long years of service with the president, and their agreement with "questionable" policies and legislation, vitiate whatever efforts they make at independence. "They will fall with Marcos," an observer said.

A Cabinet minister told BUSINESS DAY that if disagreement with the president's policies is so great, then the only option is to leave. But many think, that this is "too radical" an action for many of the president's men to take. They are already entrenched in the establishment, analysts say, and the best they can do is to "play it within limits," as the most recent events have shown.

BUDGET MINISTER ALBA DISCUSSES DROP IN GNP

HK301310 Manila BUSINESS DAY in English 30 Aug 84 p 3

[Text] Budget Minister Manuel Alba has affirmed before the Batasang Pambansa that the country's total output of goods and services -- or gross national product -- will be less than that of 1983.

In his sponsorship speech of Cabinet Bill No. 1, or the general appropriations bill, Alba said the GNP growth rate will be negative because of significant cutbacks in infrastructure projects and the slowdown in activities of the private sector. He said that in the late 1960's and early 1970's the GNP growth rates averaged 6.5 percent, when the country benefited from foreign borrowings.

In the proposed government budget for 1985, borrowings are placed at [peso] P13.2 billion to cover the gap between revenues and expenditures for capital and infrastructure projects. "We do not borrow for housekeeping expenditures but for essential capitol spending," Alba said.

The opposition at the Batasan has claimed that the proposed budget revenue target of P68.9 billion is unrealistic. Alba said the proposed revenue levels have been "firmed up on the basis of conditions, as perceived by government today, to obtain next year." He said the ruling party had no reason to modify its position on the revenue estimate.

The opposition has also expressed concern that the government may spend beyond its income, supplemented by borrowings. Alba explained that the real control of spending is the availability of funds itself. "We cannot spend what is not in the national treasury. Even if they are in the treasury, if the Batasan does not authorize the spending, the funds remain as inactive assets."

Alba also defended the president's power to transfer funds from one government agency or project to another, as provided for in Presidential Decree No. 1177. He said fund transfers within "fine guidelines" are needed for flexibility, which is crucial in "performance budgeting."

He also said that Cabinet Bill No. 1 proposes P59.5 billion, not P67.3 billion, for the Batasan to approve. The difference of P7.8 billion, he said, is contained in appropriations such as in the Public Works Act and in automatic appropriations for debt service and expenses.

Unprogrammed appropriations, Alba explained, constitute a contingency measure needed during a crisis. "They do not add to the deficit. They do not open up for unplanned borrowings, as claimed by the opposition," he said.

Describing it as a "crisis budget," Alba said the proposed budget for 1985 is "anti-inflationary" in that its financing will come substantially from revenue collections rather than from borrowings. The budget deficit targets are 1.5 percent of GNP for 1984 and 1.2 percent of GNP for 1985.

Alba said that while the proposed budget appears "staggering," it is short of what is required for the size of the economy and the population. He said the Philippines should have a budget of about P93 billion to 100 billion.

On a per-capita basis, the country should spend from P1,800 to P2,000 per Filipino instead of P1,106 in 1984 and P1,238 in 1985, he added.

"We are already way below the standards for budget levels among ASEAN countries," he stated.

The P67.3-billion proposed budget represents a 14.4 percent increase over the 1984 budget. Alba said given an estimated 20 percent to 22 percent inflation rate for 1985, there is a real decrease of about 5 percent in the proposed budget.

BUSINESS LEADERS MAKE APPEAL TO CENTRAL BANK

HK301300 Manila BULLETIN TODAY in English 30 Aug 84 pp 1, 13

[By Loreto Cabanes]

[Text] Leaders of the business and financial community asked the Monetary Board yesterday to change the tools by which the Central Bank [CB] is mopping up the excess liquidity or too much money circulating in the economy.

They said that the stringent measures pursued by the CB to reduce liquidity in the last few months have seriously affected the entire financial community to a point that public confidence in the system has been eroded.

The CB has been using open-market operations through the sales of CB and Treasury bills to bring down the level of liquidity in the financial system.

Reduction of the level of liquity to a desired target is necessary, according to the CB, to meet the requirements of the International Monetary Fund for a viable economic adjustment program in connection with the \$650-million credit facility being sought from the fund.

In a position paper, the financial community under the umbrella of the Council of Financial Associations of the Philippines (COFA) pointed out that the continued sales of CB and Treasury bills at very high interest rates have destabilized the banking system because deposits were being shifted in substantial amounts to purchase these bills.

The position paper, signed by eight organizations under the COFA, was submitted to Prime Minister Cesar Virata, Central Bank Governor Jose B. Fernandez Jr. and all government offices. It said that the liquidity-reduction measures pursued by the CB in the last few months have caused the banking system to experience tight liquidity as reflected in the continuing reserve deficiency and high inter-bank call loan rates. The high rates paid on CB and Treasury bills, which are being issued at small denominations and short-term maturities were attracting funds away from the banking system, COFA said. It foresaw the shift to continue "further exacerbating the present difficulties of the banking system."

The six associations that signed the position paper were the Bankers Association of the Philippines, Chamber of Thrift Banks, Financial Executives Institute of the Philippines, Investment Houses Association of the Philippines Association of Finance Companies, and the Rural Bankers Association of the Philippines.

They proposed a package of measures as alternative for the CB to consider in its task of reducing the excess liquidity. COFA said these measures would accomplish the liquidity targets without straining the stability of the banking system. It said that the primary cause of excess liquidity are funds which are outside of the banking system — currency in circulation. To attract these funds it was important for the CB to give top priority to restoring public confidence in the system. Most of the funds are in the hands of households which have been discouraged to put them in banks due to the low interest earnings and due to the need for cash caused by prevailing price levels.

The COFA proposed that the CB and T bills be redesigned in such a way that they would be at longer maturities and at higher denominations and lower yields.

CB and T bills were fetching as much as over 30 percent yield for banks and 26 to 28 percent for individuals. It also suggested that the differential between the rates paid to banks and individuals be increased to make the yields to the public competitive with the rates offered by banks on time deposits.

Finally, it asked the Monetary Board to consider currency reform through demonitization to flush out idle cash of the banking system and verify the exact amount of currency in circulation and pinpoint particular sectors which are in possession of such funds.

RESERVE POSITION OF BANKING SYSTEM DETERIORATES

HK301315 Manila BUSINESS DAY in English 30 Aug 84 p 3

[Text] The reserve position of the commercial banking system continued to deteriorate during the past several weeks, with Central Bank figures indicating that system as a whole registered a deficiency in reserves amounting to P571 million during the week from Aug. 13 to 17. The deficiency a week before was only P348 million.

The deterioration has prompted the CB to consider whether a more appropriate policy would be to slightly decrease reserve requirements while at the same time increasing its sales of debt instruments in order to avoid an expansion in total available funds.

Banks at present must keep in reserve 24 percent of deposits they hold. A decrease or increase in the requirement determines the amount of money banks can lend, and therefore, to an extent, the total amount of funds available. The R policy has been to reduce the total liquidity in connection with its negotiations with the International Monetary Fund for a rescue loan.

Most bankers expect the CB to soon order a further increase in the reserve requirement, in order to cut liquidity, which has expanded because of its emergency assistance to several banks in recent months.

However, some CB officials now believe that a lowering of the reserve requirements may be necessary in order to let banks provide financing to industry. They note that bank lendings during the first semester rose by only 2 percent, when prices of goods and services rose by an average of 40 percent over year-ago levels. Adjusted to eliminated effects of inflation, therefore, there was a drastic reduction in bank lendings to agriculture and industry. The result would be a major cut in production, even in industries that do not rely on imported raw materials.

Some CB officials say that rather than the recent increases in the reserve requirement, the CB's sales of CB and Treasury bills actually have been its most effective instrument in its effort to control liquidity. CB data indicate that P3 billion in CB bills had been sold in a span of only four months. The issuance of the bills also allowed the CB to siphon off funds from sources that actually had excess liquidity. An increase in reserve requirement affects all banks, even those with tight liquidity position.

The CB officials also said the increases in reserve requirement since last year weakened several banks, which later had to get massive emergency help from the CB. The result was the reverse of the purpose of the increases in the reserve requirement.

For example, Banco Filipino officials have noted that their difficulties, which erupted into a major banking crisis some weeks ago, were traced to the bank's problem in adjusting to the increases in reserve requirement imposed by the CB since late last year.

Another argument raised against a further increase in reserve requirement is that the regulation would be difficult to enforce. The CB penalizes banks for not complying with the reserve requirement by imposing a 36 percent charge on the amount of reserve deficiency. However, bankers noted that market interest rates are now way above that "penalty" rate.

NATIONAL POWER COMPANY DEFERS MAJOR PROJECTS

HK301320 Manila BUSINESS DAY in English 30 Aug 84 p 2

[Text] National Power Corp. [NPC] has to deferred several major power projects because of cancellation of foreign loan commitments totaling \$91 million and suspension of foreign loan balances amounting to \$63 million.

The biggest of these projects is the San Roque dam, which has been put off until after two years for lack of financing. The San Roque dam, which may be the biggest in Asia when completed, has been estimated to cost \$1.2 billion. It was previously included in the list of projects the government wanted to finance with a credit package from Japan's Overseas Economic Cooperation Fund (OECF) this year. It was dropped from the credit request because government planners suspected that waters in the proposed site in Pangasinan might be polluted. The project was supposed to exploit the Lower Agno River for electricity, irrigation, flood control, and water quality improvement.

Also deferred are three geothermal power plants: the Palimpinon II in southern Negros, the seventh and eithth units of the Makban (Makiling-Banahaw) geothermal plant, and the Tongonan II geothermal plant in Leyte. Also deferred is a coal-fired power plant in Bislig, Surigao del Sur.

NPC has decided not to embark on any new projects for the next two years and concentrate only on ongoing activities. Am ug the projects it will complete are a coal thermal plant in Naga, Cebu, by 1986, the Pulanggi (Bukidnon) and Agus (Lanao del Norte) I by 1986, and the Agus IV and V by se end of this year. Also set for completion this year is the \$1.9-billion nuclear power plant in Morong Bataan. Commercial operations will begin by the first quarter of new tyear at the latest.

Most of the loan suspensions and cancellations have been brought about by the moratorium on repayments of foreign debts since October last year. Canceled because of the moratorium were four foreign loan commitments totaling \$91 million, while balances of \$14 million on three credit lines and unused portions amounting to \$49 million on mine loans were suspended.

NPC had about \$2.8 billion in outstanding foreign debts as of the end of last year. These included \$1,052 million in loans directly obtained from 17 foreign private banks and loans channeled through the Central Bank. Another \$457 million of the loans are from at least eight other commercial banks guaranteed by export-credit institutions. Another \$494 million were export credits while \$213 million were suppliers' credits.

ENRILE ON PROPOSAL FOR MNLF, NPA AMNESTY

HK310800 Manila Far East Broadcasting Company in English 2245 GMT 30 Aug 84

[Text] In the Batasan, a general ammesty for all members of the Moro National Liberation Front and the New People's Army was proposed yesterday [30 August]. Opposition Members of Parliament (Kandum Warip) of the Concerned Citizens' Aggrupation [group] in Basilan said unless a general amnesty is granted to the rebels, peace and order in the country will remain elusive.

But Defense Minister Juan Ponce Enrile said a general amnesty had proved to be a failure. The defense minister said that, in fact, the granting of amnesty even worsened the problem.

SAMAR GROUPS CONDEMN ARMY 'ATROCITIES'

HK310201 Quezon City ANG PAHAYAGANG MALAYA in English 25 Aug 84 pp 1, 2

[By Joel Paredes]

[Text] Human rights groups yesterday condemned brutal killings and other atrocities allegedly committed by government troops in their anti-dissident campaign in Western Samar over the past two months.

As this developed, the Justice, Unity, Sovereignty and Truth Movement (Justmove) of Samar, reported that 11 more persons were killed in barangay Pagsalugon, Santa Rita town after the massacre of four persons in Rizal town last July 18.

Msgr. Emiliano Balein of the archidocese of Borlongan and Justmove president, together with Lawyer Venancio Garduce, coordinator of Justmove Western Samar, told MALAYA that they have verified the reports and are now preparing a fact-finding mission to the province to gather evidence against the involved lawmen.

Among the church-based human rights groups which reportedly signified support for the fact-finding mission after the MALAYA report on the military atrocities in the province were the Task Force Detainees of the Philippines (TFDP), Free Legal Assistance Group (Flag), National Secretariat for Social Action (Nassa), and the Ecumenical Movement for Justice and Peace (EMJP). Justmove said the 11 persons killed in Santa Rita town were "salvaged" (summarily executed victims) a week before the Rizal town massacre. However, Justmove has yet to identify the casualties.

Garduce said the Defense Ministry should immediately conduct a thorough investigation of the "barbarities" committed by the military to prevent a whiplash of the cases. Garduce claimed that almost every week, atrocities are being committed on the innocent civilians by government troops desperate to flush out the rebels who have penetrated remote villages in their province.

Meanwhile, highly-informed sources said the military's intensified campaign in Samar was triggered by reports that at least 46 Armed Forces operatives have been killed in at least 425 ambushes, raids and encounters with the growing rebel movement since January this year. On the rebels' side, only 7 were reported killed and 13 wounded.

MALAYA earlier gathered that the four victims in Rizal town were Dalmacio Mendova, a 46-year-old farmer and his daughter, Perla, 20; of Guinapalaran District, Ely Sugalan, 22; Silvino Ducducan, 22; and Teodorico Dadale, 40 both of barangay Aguimet.

EMJP reports showed that the elder Mendova was stabbed several times in front of his daughter, who was later raped and beheaded. At least 45 troopers led by a certain Lt. Macusi who raided the Mendovas' house then allegedly lit the dying Dalamacio, thus burning the house and the two victims.

END OF FICHE DATE FILMED 31 August 1984

